



## ***ROANOKE CITY COUNCIL***

***MAY 10, 2005  
2:00 P.M.***

### ***COUNCIL CHAMBER***

### ***AGENDA***

#### **Call to Order – Roll Call.**

The Invocation will be delivered by Vice-Mayor Beverly T. Fitzpatrick, Jr.

The Pledge of Allegiance to the Flag of the United States of America will be led by Mayor C. Nelson Harris.

#### **NOTICE:**

Today's meeting will be taped on RVTV Channel 3. The meeting will be replayed on Channel 3 on Wednesday, May 11, 2005, at 7:00 p.m., and Sunday, May 15, 2005, at 4:00 p.m. Closed captioning for the hearing impaired will not be offered for today's meeting.

#### **ANNOUNCEMENTS:**

THE CITY CLERK'S OFFICE NOW PROVIDES THE MAJORITY OF THE CITY COUNCIL AGENDA ON THE INTERNET FOR VIEWING AND RESEARCH PURPOSES. TO ACCESS AGENDA MATERIAL, GO TO THE CITY'S HOMEPAGE AT [WWW.ROANOKEGOV.COM](http://WWW.ROANOKEGOV.COM), CLICK ON THE ROANOKE CITY COUNCIL ICON, CLICK ON MEETINGS AND AGENDAS, AND DOWNLOAD THE ADOBE ACROBAT SOFTWARE TO ACCESS THE AGENDA.

## Statement of Purpose. Mayor Harris.

### Introduction and Consideration of Ordinances and Resolutions:

A Certificate of the Director of Finance advising that funds required for the 2005–2006 General Fund, Civic Facilities Fund, Parking Fund, Market Building Fund, Department of Technology Fund, Fleet Management Fund, Risk Management Fund, School Fund, School Food Services Fund, and Grant Fund budgets will be available for appropriation.

P 4

1. Amendment of the City's Fee Schedule (Compendium) to provide for revised fees for use of City park facilities and services and for new and revised inspection fees; and for certain charges relating to Library photocopy fees, effective July 1, 2005.

P 5;  
R 8;  
R 10

2. Amendment of Section 32–284, Levy of tax; amount, Article XIV, Tax on Prepared Food and Beverage, Chapter 32, Taxation, Code of the City of Roanoke (1979), as amended, to increase the tax rate on prepared food and beverages from four to five per cent, effective July 1, 2005.

P 11;  
O 13

3. Adoption of the Annual General, Civic Facilities, Parking, Market Building, Department of Technology, Fleet Management, Risk Management, School, School Food Services, and Grant Funds Appropriations for the fiscal year beginning July 1, 2005 and ending June 30, 2006.

B/O 14

4. Adoption and establishment of a Pay Plan for officers and employees, effective January 1, 2006, and providing for certain salary adjustments and merit increases; providing salary increments for certain officers and employees for use of private motor vehicles; annual salary increments for certain sworn police officers; salary increments for certain members of the Fire–Emergency Medical Services Department; continuation of the Police Career Enhancement Program; continuation of a Firefighter/Emergency Medical Technician merit pay program; a Community Policing Specialist Program; payment of a monthly stipend to certain board and commission members; an increase in base annual salary for any employee of the Sheriff meeting qualifications for and having been appointed Master Deputy Sheriff; salaries of Constitutional Officers; and repealing, to the extent of any inconsistency, Ordinance No. 36693–051304, as amended by Ordinance No. 36935–010305, except for Paragraph 17 relative to the annual salaries of the Mayor, Vice–Mayor and Council Members.

O 22

- |     |   |  |
|-----|---|--|
| 5.  | Approval of certain supplemental benefits under the City of Roanoke Pension Plan, effective January 1, 2006.  | P 29;<br>O 33                              |
| 6.  | Endorsement of an update to the Capital Improvement Program for Fiscal Year 2006-2010; and appropriation of funds.  | P 35;<br>B/O 38;<br>R 40                   |
| 7.  | Authorization for the City Manager to submit an approved five-year Consolidated Plan to the United States Department of Housing and Urban Development (HUD) for review and approval; and execution of appropriate documents to accept funds.  | P 42;<br>R 80                              |
| 8.  | Amendment to the City Code to repeal Section 2-189, Reserve for Capital Improvements and Capital Maintenance and Equipment; adoption of a policy entitled, "City of Roanoke, Virginia, Budget Stabilization Reserve Policy"; adoption of a Debt Policy; and transferring funds to establish a Budget Stabilization Reserve. | P 82;<br>O 95;<br>R 96;<br>R 97;<br>B/O 98 |
| 9.  | Approval of an Economic and Community Development Reserve Policy.   | P 99;<br>R 102                             |
| 10. | Amendment to the City Code to allow the City Manager to make transfers within or between City departments and divisions in excess of \$75,000.00 from April 1 through June 30 annually.   | P 103;<br>O 105                            |
| 11. | Adjournment.  |  |



**CITY OF ROANOKE**  
**DEPARTMENT OF FINANCE**

215 Church Avenue, S.W., Room 461

P.O. Box 1220

Roanoke, Virginia 24006-1220

Telephone: (540) 853-2821

Fax: (540) 853-6142

**JESSE A. HALL**

**Director of Finance**

email: jesse\_hall@ci.roanoke.va.us

**ANN H. SHAWVER**

**Deputy Director**

email: ann\_shawver@ci.roanoke.va.us


May 10, 2005

**TO:** Honorable Mayor and Members of Council

**FROM:** Jesse A. Hall, Director of Finance

**SUBJECT:** Certification of Funding

I, Jesse A. Hall, Director of Finance of the City of Roanoke, in accordance with paragraphs (h) and (i) of Section 25.1 of the Charter of the City of Roanoke, do hereby certify that funds required for the 2005 - 2006 General Fund, Civic Facilities Fund, Parking Fund, Market Building Fund, Department of Technology Fund, Fleet Management Fund, Risk Management Fund, School Fund, School Food Services Fund, and Grant Fund budgets will be available for appropriation.

  
\_\_\_\_\_  
Director of Finance

JAH:ca



**CITY OF ROANOKE**  
**OFFICE OF THE CITY MANAGER**

Noel C. Taylor Municipal Building  
 215 Church Avenue, S.W., Room 364  
 Roanoke, Virginia 24011-1591  
 Telephone: (540) 853-2333  
 Fax: (540) 853-1138  
 CityWeb: [www.roanokegov.com](http://www.roanokegov.com)

May 10, 2005

Honorable C. Nelson Harris, Mayor  
 Honorable Beverly T. Fitzpatrick, Jr., Vice Mayor  
 Honorable M. Rupert Cutler, Council Member  
 Honorable Alfred T. Dowe, Jr., Council Member  
 Honorable Sherman P. Lea, Council Member  
 Honorable Brenda L. McDaniel, Council Member  
 Honorable Brian J. Wishneff, Council Member

Dear Mayor Harris and Members of City Council:

Subject: Proposed Fee Schedule  
 (Compendium) Changes

**Background:**

In developing the budget for Fiscal Year 2005-06, departments were asked to look at their fee structures and, where feasible, propose fee schedule (compendium) changes that focus on recovering the cost of providing services.

The recommended Fiscal Year 2005-06 budget incorporates proposed fee structure changes for Elmwood Park Amphitheater rental, mobile stage rental, outdoor pool entrance, fitness centers, library copy fees, rental inspection fees, asbestos removal permit fees, manufactured homes and modular buildings permit fees, tent and membrane structure permit fees and temporary certificate of occupancy renewal fees.

**Considerations:**

**Elmwood Park Amphitheater Fee**

Currently, the charge for rental of the Elmwood Park Amphitheater is \$150 per day assessed to any organization utilizing the facility. The proposed fee will increase the current charge to \$250.

#### Mobile Stage Fee

Parks & Recreation currently charges a fee in a two-tier structure: \$600 per day for 501(c) organizations not charging admission; \$900 per day for events charging admission. The proposed fee will increase the charge as follows: \$900 per day for 501(c) organizations not charging admission; \$1,200 per day for events charging admission.

#### Outdoor Pool Entrance Fee

The entrance fee for outdoor pools has not been increased in more than 10 years. Currently, the entrance fee is \$1 for Youth and \$2 for Adults. The proposed increase will result in the following entrance fee structure: \$2 for Youth, \$3 for Adults.

#### Fitness Center Fees

Currently, Parks and Recreation administers a two-tier fee structure for both monthly and daily fitness center memberships. Residents are assessed a fee of \$4 for daily membership and \$15 for monthly memberships; Non-residents are assessed a fee of \$5 for daily membership and \$22 for monthly memberships. The proposed fee adjustments will result in the following fee structure: Residents - \$5 for daily membership and \$18 for monthly membership; Non-residents - \$6 for daily membership and \$25 for monthly membership.

#### Library Copy Fee:

The Library currently charges \$.10 for each single copy made in the public library system. The proposed increase to \$.15 for each single copy will more appropriately align the fee with the actual cost assessed to the library for offering the service to library patrons.

#### Rental Inspection Fee:

Currently, Housing and Neighborhood Services charges a fee of \$75 for the initial inspection as well as periodic inspections. Subsequent follow-up visits are charged at a rate of \$35 each. A fee of \$25 will be levied for the initial and periodic rental inspections. Follow-up compliance inspections will be levied at a rate of \$50 each.

#### Asbestos Removal

Currently, the permit for the removal of asbestos is issued based on valuation of the project. The proposed fee adjustment will institute a flat fee of \$45 per certificate.

#### Manufactured Homes and Modular Buildings

At present, the building permit is issued with the fee being determined based on valuation of the property. The proposed adjustment will result in a

building permit being issued based on the structure: \$75-single wide; \$100-double wide; \$125-triple wide.

Tent and Membrane Structures

At present, building permits are issued for the erection of tent and membrane structures over 900 square feet at a cost based on the value of the structure or the rental fee for the structure. The proposed adjustment will result in those permits being issued at a flat cost of \$50 each.

Temporary Certificate of Occupancy Renewal

Currently, residents are issued renewal Temporary Certificates of Occupancy without a fee. A fee structure for renewal is recommended. The first renewal certificate will be issued for a fee of \$75; subsequent renewal certificates will be issued at a fee of \$125 each.

**Recommended Action:**

Approve the attached resolution and amend the City's Fee Schedule (Compendium) to reflect the changes in the aforementioned fees effective July 1, 2005.

Respectfully submitted,



Darlene L. Burcham  
City Manager

DLB:acm

c: Mary F. Parker, City Clerk  
William M. Hackworth, City Attorney  
Jesse A. Hall, Director of Finance  
Sherman M. Stovall, Director of Management and Budget

CM05-00056

5/3/05

IN THE COUNCIL OF THE CITY OF ROANOKE, VIRGINIA,

A RESOLUTION amending the City's Fee Compendium to provide for revised fees for use of City park facilities and services and for new and revised inspection fees in order to update current fees and promote uniformity with fees charged by the City and surrounding localities; and providing an effective date.

BE IT RESOLVED by the Council of the City of Roanoke that:

1. The following fees shall be charged for the use of City park facilities and services:

Facility or Service	Fee	
Elmwood Park Amphitheatre Fee	\$250.00 per day	
Mobile Stage for use at 501(c) sponsored events not charging admission	\$900.00 per day	
Mobile Stage for use at all other events	\$1,200.00 per day	
Outdoor Swimming Pool entrance fee:	Children Under 5 - free Youth (ages 5 to 15) - \$2 Adults (ages 16 and up) - \$3	
	Residents	Non-Residents
Fitness Centers – Monthly Fee	\$18.00	\$25.00
Fitness Centers - Daily Fee	\$ 5.00	\$ 6.00

2. The following fees shall be charged for the following inspections:

- (a) Rental Inspection:
- |                        |          |
|------------------------|----------|
| (Initial and Periodic) | \$ 25.00 |
| (Follow-Up Inspection) | \$ 50.00 |



- |     |   |          |
|-----|---|----------|
| (b) | Asbestos Removal:                           | \$ 45.00 |
| (c) | Manufactured Homes and Modular Buildings:   |          |
|     | Single Wide                                 | \$ 75.00 |
|     | Double Wide                                 | \$100.00 |
|     | Triple Wide                                 | \$125.00 |
| (d) | Tent and Membrane Structures:               |          |
|     | Over 900 square feet                        | \$ 50.00 |
| (e) | Temporary Certificate of Occupancy Renewal: |          |
|     | First Renewal                               | \$ 75.00 |
|     | Subsequent Renewal                          | \$125.00 |

3. The Fee Compendium of the City, maintained by the Director of Finance and authorized and approved by the City Council by Resolution No. 32412-032795, adopted March 27, 1995, effective as of that date, shall be amended to reflect the new and amended fees.

4. Resolution No. 32412-032795 is hereby amended to the extent and only to the extent of any inconsistency with this Resolution.

5. The fees established by this Resolution shall remain in effect until amended by this Council.

6. This Resolution shall be in full force and effect on July 1, 2005.

ATTEST:

City Clerk.

D LC

IN THE COUNCIL OF THE CITY OF ROANOKE, VIRGINIA,

A RESOLUTION amending certain fees and charges with regard to photocopy fees for the City's Libraries; amending the Fee Compendium, and providing for an effective date.

BE IT RESOLVED by the Council of the City of Roanoke as follows:

1. Photocopy fees shall be amended as follows:

<u>City Libraries</u>	<u>Fee per copy</u>
Black and white copy	\$ .15

2. The Fee Compendium of the City, maintained by the Director of Finance and authorized and approved by the City Council by Resolution No. 32412-032795, adopted March 27, 1995, effective as of that date, shall be amended to reflect the amended fees for photocopies in the City's Libraries and the Law Library.

3. Resolution No. 32412-032795 is hereby amended to the extent and only to the extent of any inconsistency with this Resolution.

4. The fees established by this Resolution shall remain in effect until amended by this Council.

5. This Resolution shall be in full force and effect on July 1, 2005.

ATTEST:

City Clerk.



# **CITY OF ROANOKE**

## **OFFICE OF THE CITY MANAGER**

Noel C. Taylor Municipal Building  
 215 Church Avenue, S.W., Room 364  
 Roanoke, Virginia 24011-1591  
 Telephone: (540) 853-2333  
 Fax: (540) 853-1138  
 CityWeb: [www.roanokegov.com](http://www.roanokegov.com)

May 10, 2005

Honorable C. Nelson Harris, Mayor  
 Honorable Beverly T. Fitzpatrick, Jr., Vice Mayor  
 Honorable M. Rupert Cutler, Council Member  
 Honorable Alfred T. Dowe, Jr., Council Member  
 Honorable Sherman P. Lea, Council Member  
 Honorable Brenda L. McDaniel, Council Member  
 Honorable Brian J. Wishneff, Council Member

Dear Mayor Harris and Members of City Council:

Subject: Increase in Prepared Food and  
 Beverage Tax

### **Background:**

In March 2000, as part of its financial planning work session, City Council began planning for future capital projects, including the renovation of Patrick Henry High School. As a part of this planning process, City Council agreed to begin setting aside \$570,000 in debt service funding on an annual basis to build debt capacity for future projects. This strategy included building the necessary capacity to support the City of Roanoke share of the Patrick Henry High School project.

At its next financial planning work session in March 2001, City Council continued to plan for and discuss capital projects, including the renovation of William Fleming High School, at a projected cost of \$40 million. While there was support to provide the City of Roanoke share of \$20 million for the project, it was recognized that a new revenue source would be needed to support debt service. As a result of subsequent planning efforts and discussion, an increase in the Prepared Food and Beverage Tax was identified as the potential funding source for the City of Roanoke share for the William Fleming High School project.

An analysis of the amount of debt service funding required in FY 2009, after the issuance of bonds for the William Fleming High School project indicates additional funding of approximately \$1.1 million will be needed to fully fund our share of the project.

The proposed increase in the Prepared Food and Beverage Tax from 4% to 5% compares to an All Virginia Cities average of 4.9% and a 5.9% average for the Virginia First Cities Coalition jurisdictions. This comparison is based on tax rate information for 2004 provided by the Weldon Cooper Center for Public Service.

**Considerations:**

The proposed increase in the Prepared Food and Beverage Tax from 4% to 5% will result in additional revenue of approximately \$2.1 million dollars. Half of the incremental revenue will be used for the debt service funding that will be needed to support the William Fleming High School project, with the remaining portion used to address recurring operating expenses in the General Fund.

The Prepared Food and Beverage Tax is in essence a tax that is paid by those who choose to dine out and people outside of our jurisdiction who elect to take advantage of the many restaurants in our city.

**Recommended Action:**

Approve the attached ordinance amending Section 32-284 of the City Code increasing the Prepared Food and Beverage Tax to 5% effective July 1, 2005.

Respectfully submitted,



Darlene L. Burcham  
City Manager

DLB: acm

c: Mary F. Parker, City Clerk  
William M. Hackworth, City Attorney  
Jesse A. Hall, Director of Finance  
Sherman M. Stovall, Director of Management and Budget

CM05-00059

IN THE COUNCIL OF THE CITY OF ROANOKE, VIRGINIA,

AN ORDINANCE amending §32-284, Levy of tax; amount, Article XIV, Tax on Prepared Food and Beverage, Chapter 32, Taxation, of the Code of the City of Roanoke (1979), as amended, by increasing the tax rate on prepared food and beverages from four percent (4%) to five percent (5%), providing for an effective date; and dispensing with the second reading by title paragraph of this ordinance.

BE IT ORDAINED by the Council of the City of Roanoke as follows:

1. Section 32-284, Levy of tax; amount, Article XIV, Tax on Prepared Food and Beverage, Chapter 32, Taxation, of the Code of the City of Roanoke (1979), as amended, is amended and reordained to read and provide as follows:

§32-284. Levy of tax; amount.

In addition to all other taxes and fees of any kind now or hereafter imposed by law, a tax is hereby levied and imposed on the purchaser of all food sold in the city in or from a restaurant, whether prepared in such restaurant or not and whether consumed on the premises or not, or by a caterer regardless of place of delivery or consumption. The rate of this tax shall be ~~four (4)~~ five (5) percent of the amount paid for such food. In the computation of this tax, any fraction of one-half cent (\$0.005) or more shall be treated as one cent (\$0.01).

2. Pursuant to §12 of the Roanoke City Charter the second reading by title paragraph is hereby dispensed with.

3. This ordinance shall be in full force and effect on July 1, 2005.

ATTEST:

City Clerk.

AHS

**COUNCIL OF THE CITY OF ROANOKE, VIRGINIA**

AN ORDINANCE adopting the annual General, Civic Facilities, Parking, Market Building, Department of Technology, Fleet Management, Risk Management, School, School Food Services and Grant Funds Appropriations of the City of Roanoke for the fiscal year beginning July 1, 2005, and ending June 30, 2006; and dispensing with the second reading by title of this ordinance.

BE IT ORDAINED by the Council of the City of Roanoke as follows:

1. That all money that shall be paid into the City Treasury for the General, Civic Facilities, Parking, Market Building, Department of Technology, Fleet Management, Risk Management, School, School Food Services and Grant Funds in the fiscal year beginning July 1, 2005, and ending June 30, 2006, shall constitute General, Civic Facilities, Parking, Market Building, Department of Technology, Fleet Management, Risk Management, School, School Food Services, and Grant Funds and that as much of the same as may be necessary be, and the same is hereby appropriated to the following uses and purposes, to-wit:

**General Fund**

**Revenues**

General Property Taxes	\$ 93,243,000
Other Local Taxes	65,801,000
Permits, Fees and Licenses	1,069,000
Fines and Forfeitures	1,354,000
Revenue from Use of Money and Property	722,000
Grants-in-Aid Commonwealth	49,770,000
Grants-in-Aid Federal Government	38,000
Charges for Current Services	11,418,000
Miscellaneous	384,000
Total Revenues	<u>\$ 223,799,000</u>

## **Appropriations**

Treasurer		\$ 893,774
Clerk of Circuit Court		1,248,354
Juvenile and Domestic Relations Court Services		1,411,273
Juvenile and Domestic Relations Court Clerk		39,420
Magistrate		2,917
General District Court		42,296
Circuit Court		499,718
Commissioner of the Revenue		899,264
Sheriff	\$ 2,176,319	
Jail	12,962,027	15,138,346
Commonwealth's Attorney	\$ 1,319,516	
Cost Collections Unit	70,428	1,389,944
City Council		239,129
City Attorney		866,466
City Clerk		564,613
Municipal Auditing		559,902
Department of Finance	\$ 1,806,641	
Office of Billings and Collections	649,609	
Real Estate Valuation	955,332	
Board of Equalization	20,944	3,432,526
Residual Fringe Benefits		2,396,609
Miscellaneous		100,000
Transfers to School Fund		54,352,299
Transfers to Greater Roanoke Transit Company		1,142,373
Transfers to Debt Service Fund		17,724,718
Transfer to Other Funds		5,270,766
Electoral Board		287,944
Office of Communications		571,349
City Manager		739,737
Memberships and Affiliations		1,641,079
Personnel Lapse		(2,122,406)
Contingency		1,774,180
Environmental and Emergency Management		257,438
Roanoke Arts Commission		335,512
Economic Development		1,047,234
Department of Management and Budget		572,951

Human Resources	\$ 1,141,432	
Occupational Health Clinic	490,934	1,632,366
	<hr/>	
E911 Center	\$ 2,153,780	
E911 Wireless	317,905	
Telecommunications	606,941	3,078,626
	<hr/>	
Director of General Services	\$ 168,869	
Management Services	106,599	
Purchasing	295,470	570,938
	<hr/>	
Building Maintenance	\$ 3,627,288	
Custodial Services	1,161,651	4,788,939
	<hr/>	
Fire Administration	\$ 779,609	
Fire Support	752,325	
Fire Operations	13,272,748	
Fire Airport Rescue	656,987	
Emergency Medical Services	2,123,768	17,585,437
	<hr/>	
Director of Public Works	\$ 230,356	
Solid Waste Management	6,305,809	
Transportation - Streets and Traffic	4,739,005	
Transportation - Paving	2,428,952	
Transportation - Snow Removal	253,869	
Transportation - Street Lighting	916,614	
Transportation - Engineering & Operations	1,643,593	
Engineering	1,723,428	18,241,626
	<hr/>	
Planning and Development	\$ 1,088,524	
Building Inspections	769,741	1,858,265
	<hr/>	
Neighborhood Partnership	\$ 144,622	
Citizens Service Center	24,625	
Housing and Neighborhood Services	1,453,868	1,623,115
	<hr/>	
Parks	\$ 3,281,367	
Parks & Recreation Administration	1,380,027	
Youth Services	300,360	
Recreation	1,420,826	6,382,580
	<hr/>	
Director of Human Services/Social Services	\$ 1,589,997	
Income Maintenance	5,041,676	



Social Services - Services	10,257,729	
Revenue Maximization	54,267	
Employment Services	1,393,351	
Foster Parent Training	110,844	
Human Services Support	145,796	18,593,660
Virginia Institute for Social Services		373,357
Training Activities		
Hospitalization		78,335
Youth Haven	\$ 590,427	
Outreach Detention	239,348	
Crisis Intervention	556,768	1,386,543
Health Department		1,251,477
Mental Health		434,481
Human Services Committee		561,982
Comprehensive Services Act (CSA)		9,152,256
CSA - Administration		67,047
Virginia Cooperative Extension Service		61,903
Police Administration	\$ 505,262	
Police Investigation	3,158,027	
Police Patrol	11,535,630	
Police Services	3,118,611	
Police Training	735,620	
Police Animal Control	838,751	19,891,901
Libraries	\$ 2,716,006	
Law Library	148,435	2,864,441
Total Appropriations		<u>\$ 223,799,000</u>

### **Civic Facilities Fund**

#### **Revenues**

Operating	\$ 3,801,000
Non-Operating	1,998,374
Total Revenues	<u>\$ 5,799,374</u>

**Appropriations**

Operating Expenses	\$ 3,282,083
Promotional Expenses	525,420
Concessions	632,866
Catering	190,265
Victory Stadium	252,147
Capital Outlay	75,000
Debt Service	841,593
Total Appropriations	<u>\$ 5,799,374</u>

**Parking Fund****Revenues**

Operating	\$ 2,720,000
Total Revenues	<u>\$ 2,720,000</u>

**Appropriations**

Parking Coordination	\$ 56,886
Century Station Parking Garage	153,485
Williamson Road Parking Garage	217,654
Market Square Parking Garage	226,525
Church Avenue Parking Garage	361,918
Tower Parking Garage	243,917
Gainsboro Parking Garage	88,182
Church Avenue Surface Lot	5,585
Bullitt Avenue Surface Lot	39,828
Salem Avenue Surface Lot	10,789
Gainsboro Surface Lot	26,213
Williamson Road Surface Lot	33,444
Debt Service	1,255,574
Total Appropriations	<u>\$ 2,720,000</u>

**Market Building Fund****Revenues**

Operating	\$ 276,855
Non-Operating	35,000
Total Revenues	<u>\$ 311,855</u>

**Appropriations**

Operating Expenses	\$ 311,855
Total Appropriations	<u>\$ 311,855</u>

**Department of Technology Fund****Revenues**

Operating	\$ 6,321,472
Non-Operating	50,000
Total Revenues	<u>\$ 6,371,472</u>

**Appropriations**

Operating Expenses	\$ 5,091,323
Capital Outlay	1,280,149
Total Appropriations	<u>\$ 6,371,472</u>

**Fleet Management Fund****Revenues**

Operating	\$ 5,495,415
Non-Operating	100,000
Total Revenues	<u>\$ 5,595,415</u>

**Appropriations**

Operating Expenses	\$ 3,160,279
Capital Outlay	1,877,539
Debt Service	557,597
Total Appropriations	<u>\$ 5,595,415</u>

**Risk Management Fund****Revenues**

Operating	\$ 12,561,500
Non-Operating	160,000
Total Revenues	<u>\$ 12,721,500</u>

**Appropriations**

Risk Management Administration	\$ 1,147,000
Risk Management – Other Expenses	13,240,750
Total Appropriations	<u>\$ 14,387,750</u>

**School Fund****Revenues**

Grants-in-Aid Commonwealth	\$ 53,072,458
State Sales Tax (ADM)	12,050,078
Grants-in-Aid Federal Government	125,000
Charges for Services	2,720,100
Transfer from General Fund	54,327,299
Interest on Investments	25,000
Total Revenues	<u>\$ 122,319,935</u>

**Appropriations**

Instruction	\$ 91,438,949
Administrative Services	2,934,420
Attendance and Health Services	1,921,113
Transportation	5,119,916
Operation/Maintenance of Plant	12,577,074
Facilities	1,083,215
Other Uses of Funds	7,245,248
Total Appropriations	<u>\$ 122,319,935</u>

**School Food Services Fund****Revenues**

Grants-in-Aid Commonwealth	\$ 81,789
Grants-in-Aid Federal Government	3,265,224
Charges for Services	1,649,927
Total Revenues	<u>\$ 4,996,940</u>

**Appropriations**

Food Services	\$ 4,996,940
Total Appropriations	<u>\$ 4,996,940</u>

## **Grant Fund**

### **Revenues**

Virginia Juvenile Community Crime Control Act	\$	94,854
Total Revenues	\$	94,854

### **Appropriations**

Substance Abuse Services - Court Services Unit	\$	43,006
Enhanced Community Services - Court Services Unit		51,848
Total Appropriations	\$	94,854

2. That all salaries and wages covered by the Pay Plan, paid from the appropriations herein, shall be paid in accordance with the provisions thereof;

3. That the Director of Finance be, and he is hereby authorized and directed to transfer between accounts such appropriations for salaries and wages for the labor force as may be necessary to cover cost of labor performed by one department for another.

4. That funding for all outstanding encumbrances, at June 30, 2005, are re-appropriated to the 2005-06 fiscal year to the same department and account for which they are encumbered in the 2004-05 fiscal year.

5. That this ordinance shall be known and cited as the 2005-06 General, Civic Facilities, Parking, Market Building, Department of Technology, Fleet Management, Risk Management, School, School Food Services and Grant Funds Appropriation Ordinance; and

6. Pursuant to the provisions of Section 12 of the City Charter, the second reading of this ordinance by title is hereby dispensed with.

ATTEST:

City Clerk.

## IN THE COUNCIL OF THE CITY OF ROANOKE, VIRGINIA,

AN ORDINANCE to adopt and establish a Pay Plan for officers and employees of the City effective January 1, 2006; providing for certain salary adjustments and merit increases; authorizing annual salary increments for certain officers and employees for use of private motor vehicles; authorizing annual salary increments for sworn police officers assigned to the Criminal Investigation Division; authorizing annual salary increments for certain members of the Fire-Emergency Medical Services Department who are certified as Emergency Medical Technicians; authorizing annual salary increments for certain members of the Fire-Emergency Medical Services Department who are members of the Regional Hazardous Materials Response Team; providing for continuation of a police career enhancement program; providing for continuation of a Firefighter/Emergency Medical Technician merit pay program; providing for a Community Policing Specialist program; providing for payment of a monthly stipend to certain board and commission members; providing for an increase in base annual salary for any employee of the Sheriff who meets the qualifications for and has been appointed Master Deputy Sheriff; repealing, to the extent of any inconsistency, Ordinance No. 36693-051304, adopted May 13, 2004, as amended by Ordinance No. 36935-010305, adopted on January 3, 2005, except for Paragraph 17 thereof, relative to the annual salaries of the Mayor, Vice-Mayor, and Council members; providing for the salaries of the City's Constitutional Officers; providing for an effective date; and dispensing with the second reading by title of this ordinance.

BE IT ORDAINED by the Council of the City of Roanoke as follows:

1. Pursuant to §2-69, Code of the City of Roanoke (1979), as amended, there is hereby adopted by the Council and made applicable to all classified officers and employees of

the City on January 1, 2006, the Pay Plan hereinafter set out in its entirety, which shall read and provide as follows:

**CITY OF ROANOKE, VIRGINIA  
PAY PLAN  
January 1, 2006**

<b>Pay Grade</b>	<b>Minimum Annual Salary</b>	<b>Maximum Annual Salary</b>
04	\$ 17,513.08	\$ 27,145.30
05	18,389.02	28,503.02
06	19,767.54	30,639.70
07	21,294.26	33,006.22
08	23,527.14	36,467.08
09	25,997.14	40,295.58
10	28,728.70	44,529.42
11	30,752.28	47,666.06
12	34,288.54	53,147.12
13	38,232.74	59,260.76
14	42,628.30	66,073.80
15	47,530.86	73,672.82
16	53,689.74	83,218.98
17	59,863.70	92,788.80
18	66,747.98	103,459.46
19	75,347.74	116,788.88
20	84,012.50	130,219.44
21	93,674.10	145,194.92

In addition, effective January 1, 2006, non-probationary sworn officers of the Sheriff's Department and uniformed members of the City's Fire-Emergency Medical Services Department, not including the chief of the Department, shall receive an addition of four (4%) to their base pay.

2. The Pay Plan adopted by this Ordinance shall remain in effect until amended by Council.

3. Pursuant to §2-68, Code of the City of Roanoke (1979), as amended, effective January 1, 2006, the City Manager shall promulgate and cause to be distributed among the officers and employees of the City a Classification Plan, consisting of a plan of classification assigning a pay grade and pay range in accordance with this Ordinance and class code to each position in the classified service of this City.

4. Performance increases, up to four and one-half percent (4.5%) of the employees' current base salary, may be awarded officers and employees according to their performance scores. Effective January 1, 2006, for officers and employees appointed or hired after July 1, 2004, performance increases shall be prorated based on number of pay periods served pursuant to policies and procedures promulgated by the City Manager.

5. If, after any applicable salary increases provided for in this Ordinance, any officer's or employee's salary is below the applicable minimum for his or her pay range, such officer's or employee's annual base salary shall be adjusted to the applicable minimum.

6. Annual salary increments payable on a bi-weekly basis are provided for the hereinafter set out job classifications which require the incumbent to privately own or lease a motor vehicle routinely used in the course of conducting City business as follows:

<b><u>POSITION TITLE</u></b>	<b><u>ANNUAL SALARY INCREMENT</u></b>
Appraiser I	\$ 1,620.00
Appraiser II	\$ 1,620.00
Assistant City Managers (unless City Manager has assigned a City vehicle to the individual Assistant)	\$ 2,000.00



City Attorney	\$ 2,000.00
City Clerk	\$ 2,000.00
Deputy Director of Real Estate Valuation	\$ 1,620.00
Director of Civic Facilities	\$ 2,000.00
Director of Finance	\$ 2,000.00
Director of Real Estate Valuation	\$ 1,620.00
Municipal Auditor	\$ 2,000.00
Supervising Appraiser	\$ 1,620.00
Senior Tax Compliance Administrator	\$ 1,620.00

If the requirement that any of the foregoing officers or employees own or lease a motor vehicle for routine use in the conduct of City business should be eliminated, then the salary increment established by this Ordinance shall be terminated as of the date of elimination of such requirement.

7. In order equitably to compensate sworn police officers assigned to the Criminal Investigation Division and in lieu of provision by the Police Department of uniforms and accessories, each such officer shall be accorded an annual salary increment of \$600.00 payable on a bi-weekly basis as a uniform allowance.

8. Each employee of the Fire-Emergency Medical Services Department hired by the City as a Firefighter prior to April 18, 1991, who has received Emergency Medical Technician certification and actively participates in the City's First Responder Program shall be accorded an annual salary increment of \$1,200 payable on a bi-weekly basis.

9. Each employee of the Fire-Emergency Medical Services Department who has been certified to either the Specialist or Technician level for the handling of hazardous materials

and who is a member of the Regional Hazardous Materials Response Team shall be accorded an annual salary increment of \$1,200 payable on a bi-weekly basis.

10. The City Manager is authorized to continue a police career enhancement program to provide pay incentives to police officers below the supervisory level. Such program may include consideration for training, formal education, experience, and specialized assignments. The annual pay supplement shall range from \$938 to \$4,372 payable on a bi-weekly basis.

11. The City Manager is authorized to continue a Community Policing Specialist program to provide pay incentives to police officers. Such program may include consideration for training and community participation. The annual pay supplement is two percent (2%) of base salary.

12. The City Manager is authorized to continue a merit pay program for Firefighter/Emergency Medical Technicians who attain a cardiac technician certificate. The annual pay supplement shall be in the amount of \$1,769 payable on a bi-weekly basis. If a qualified employee is receiving an EMT stipend, pursuant to the provisions of Paragraph 8, above, then the employee shall, in addition to the EMT stipend, receive the difference between such stipend and the merit pay authorized hereby.

13. A pay stipend of \$100 per month, or \$1,200 annually, paid monthly, shall continue to be awarded to members of the City Planning Commission and the Board of Zoning Appeals upon attainment of certification through the Virginia Certified Planning Commissioner Program and the Virginia Certified Board of Zoning Appeals Program, respectively. New appointees will be required to attain certification within one year of the date of appointment

14. A pay stipend of \$100 per month, or \$1,200 annually, paid monthly, shall be awarded to members of the Architectural Review Board. The requirement for certification of members by the Virginia Certified Architectural Review Program, adopted by Council effective

July 1, 2004, is suspended until the Program has been fully developed and made operational by the Virginia Department of Historic Resources (VHDR).

15. When any salary increase provided in paragraphs 4, 10, 11 or 12 of this Ordinance would cause an officer or employee to exceed the maximum annual pay range applicable to such officer's or employee's position, such officer or employee shall receive a salary increase only in such amount as will not exceed the maximum pay range for such officer's or employee's position.

16. Each employee of the Sheriff's office who meets qualifications for Master Deputy Sheriff and has been appointed such by the Sheriff shall receive a five percent (5%) increase to base annual salary. This increase shall be capped at no more than five percent (5%) above the pay range maximum for a Deputy Sheriff. Any Master Deputy Sheriff who fails to meet required qualifications and is removed from appointment by the Sheriff shall have the base annual salary reduced by five percent (5%).

17. To the extent of any inconsistency, Ordinance No. 36693-051304, adopted May 13, 2004, as amended by Ordinance No. 36935-010305, adopted on January 3, 2005, except for Paragraph 17 thereof, which shall remain in force and effect until amended in accordance with the provisions of State law, relative to the annual salaries of the Mayor, Vice-Mayor and Council members, is hereby REPEALED.

18. Until January 1, 2006, the salaries of the Clerk of Circuit Court, Commonwealth's Attorney, Commissioner of Revenue, City Sheriff, and City Treasurer, the City's Constitutional Officers, shall be as set by Council by Ordinance No. 36791-080204, adopted August 2, 2004. Effective January 1, 2006, the salaries shall be their then current salary increased by four percent (4%), unless modified by ordinance duly adopted by Council.

19. Any increase in compensation due to any officer or employee due under this ordinance shall be first paid beginning with the paycheck of January 11, 2006.

20. The provisions of this ordinance shall be in full force and effect on and after July 1, 2005.

21. Pursuant to §12 of the Roanoke City Charter, the second reading by title paragraph of this ordinance is hereby dispensed with.

ATTEST:

City Clerk.



# **CITY OF ROANOKE**

## **DEPARTMENT OF FINANCE**

215 Church Avenue, S.W., Room 461

P.O. Box 1220

Roanoke, Virginia 24006-1220

Telephone: (540) 853-2821

Fax: (540) 853-6142

**JESSE A. HALL**

**Director of Finance**

email: jesse\_hall@ci.roanoke.va.us

May 10, 2005

**ANN H. SHAWVER**

**Deputy Director**

email: ann\_shawver@ci.roanoke.va.us

Honorable C. Nelson Harris, Mayor  
 Honorable Beverly T. Fitzpatrick, Jr., Vice Mayor  
 Honorable M. Rupert Cutler, Council Member  
 Honorable Alfred T. Dowe, Jr., Council Member  
 Honorable Sherman P. Lea, Council Member  
 Honorable Brenda L. McDaniel, Council Member  
 Honorable Brian J. Wishneff, Council Member

Dear Mayor Harris and Members of City Council:

Subject: Cost of Living Raise for Retirees - FY2006

Background:

Retirees of the City of Roanoke Pension Plan (the Plan) are awarded cost of living adjustments (COLA) on an ad hoc basis by City Council. The Plan does not include a provision for an automatic COLA due to the significant actuarial cost and related increase in contribution rates. Thus, COLA's are not pre-funded in the Plan, but rather the increased cost is recognized when the increase has been awarded.

Factors considered as part of the recommendation for an annual adjustment include change in the Consumer Price Index, the increased cost to the Plan, the amount of raises provided by similar plans within the state, and the amount of increase provided by Social Security.

Eligible members of the City of Roanoke Pension Plan received a 2.1% cost-of-living adjustment on July 1, 2004. This was the ninth consecutive COLA provided to eligible retirees. The Recommended Budget for FY06 includes a 4% raise for active employees effective January 1, 2006.

Considerations:

Attachment A lists the percentage increases either granted or to be recommended by 10 other plans within the State, including the Virginia Retirement System and Social Security.

Honorable Mayor and Members of City Council  
May 10, 2005  
Page 2

The required contribution rate for the pension plan to fund the current level of benefits will increase for FY06 from 9.56 % to 12.61% of payroll. The additional cost to the General Fund is approximately \$1,600,000.

A proposed 2.50% increase to eligible members of the Plan, effective January 1, 2006, will increase the average annual retirement allowance by approximately \$303, costing the Plan an additional \$467,671 in benefits annually. The actuarial cost of a 2.50% COLA is estimated at \$4.4 million to be funded over the next 20 years through the annual payroll contribution rate. This results in an increase of approximately \$287,700 in annual contributions to the Plan. All City operating funds along with the Roanoke Regional Airport Commission, School Board, Roanoke Valley Resource Authority, Roanoke Valley Detention Commission, Western Virginia Water Authority, and the Commonwealth of Virginia will assume their pro rata cost for funding the COLA. The City's pro rata share of this increase is approximately \$250,000.

The recommended increase will apply to those retirees who retired on or before July 1, 2004, i.e., those retirees who have been retired for at least one year. Approximately 1,541 of 1,595 retirees, or 97% of those receiving benefits as of March 31, 2005, will be eligible for the increase. The increase will also apply to a member's or surviving spouse's annual retirement allowance, excluding any incentive payments made under the Voluntary Retirement Incentive Program established by Ordinance No. 30473-41591, adopted April 15, 1991, or to the retirement supplement paid according to Section 22.2-61 of the Code.

A request was also referred to budget study to consider giving a supplemental allowance for health insurance for City retirees who are 65 years of age or older. The plan currently provides a monthly supplement of 75% of the amount of the health insurance supplement provided to active employees, or \$221.25, to retirees with at least twenty years of service until age 65. This supplement is provided to complement the pension allowance until Medicare eligibility. Upon reaching Medicare eligibility, retirees are eligible to begin receiving both hospital and medical benefits. There is also a new drug benefit program beginning in January 2006, Medicare Part D, that assists with outpatient prescription drugs.


#### Recommendation:

We recommend adoption of the accompanying ordinance granting a 2.50% COLA for eligible retirees effective January 1, 2006 coincident with the recommendation

Honorable Mayor and Members of City Council  
May 10, 2005  
Page 3

of the effective date of salary increases for active employees. Consideration was given to the request by the Retirement Association for a supplemental allowance for health insurance for retirees 65 and older. Due to the significant increase in contributions required to sustain the current level of benefits and provide a COLA, we do not recommend any benefit changes that would result in additional funding requirements for the pension plan. We would be pleased to answer any questions you may have regarding this recommendation.

Respectfully submitted,



Darlene L. Burcham  
City Manager



Jesse A. Hall  
Director of Finance

DLB/JAH:ca

Attachment

c: William M. Hackworth, City Attorney  
Mary F. Parker, City Clerk  
Andrea F. Trent, Retirement Administrator

**Association of Municipal Retirement Systems of Virginia  
Cost of Living Adjustments**

LOCALITY	Proposed COLA FOR FY06
Arlington	2.7%
Charlottesville	2.0%
Fairfax County	3.9%
Fairfax County Education	3.0%
Falls Church	1.3%
Newport News	1.85%
Norfolk	1.0%
Richmond	0.0%
Roanoke	
VRS	2.7%
Social Security	2.7%



IN THE CITY COUNCIL OF THE CITY OF ROANOKE, VIRGINIA

AN ORDINANCE providing for certain supplemental benefits under the City of Roanoke Pension Plan to certain members of such Plan and certain of their surviving spouses; providing for an effective date; and dispensing with the second reading by title of this ordinance.

BE IT ORDAINED by the Council of the City of Roanoke as follows:

1. The retirement allowance payable on account of certain members of the City of Roanoke Pension Plan being defined in Paragraph 2 infra who retired on or before July 1, 2004, shall effective January 1, 2006, be increased by two and one-half percent (2.50%) of itself, not including any incentive payments made under the Voluntary Retirement Incentive Program established by Ordinance No. 30473-41591, adopted April 15, 1991, and not including any Retirement Supplement, as provided for in §22.2-61, Retirement Supplement, of the Code of the City of Roanoke (1979), as amended (hereinafter "City Code"), calculated as of July 1, 2005.

2. The increase in benefits provided for in Paragraph 1 of this ordinance shall apply to the following categories of persons entitled to receive benefits under the City of Roanoke Pension Plan only:

- a. Any member of the Employees' Supplemental Retirement System (hereinafter "ESRS") or of the Employees' Retirement System (hereinafter "ERS") retired under §22.2-43, Normal Service Retirement, or under §22.2-47, Retirement and Service Retirement Allowance Generally, respectively, of the City Code.

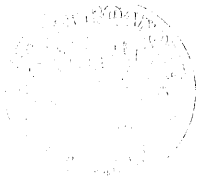
- b. Any member of ESRS or ERS retired under §22.2-50, Nonoccupational Disability Retirement Allowance, of the City Code; or
- c. Any member of ESRS or ERS retired under §22.2-51, Occupational Disability Retirement Allowance, of the City Code; or
- d. Any member of the ESRS retired under §22.2-44, Early Service Retirement Allowance, or §22.2-45, Vested Allowance, or any member of ERS retired under §22.2-48, Early Service Retirement Allowance, or §22.2-49, Vested Allowance, of the City Code; or
- e. Any surviving spouse of a member, provided such surviving spouse is entitled to benefits under Article IX, Payment of Benefits, of Chapter 22.2, Pensions and Retirement, of the City Code, and further provided that the deceased member through whom the surviving spouse is entitled to benefits would qualify, if alive, under paragraph 2.a., 2.b., 2.c., or 2.d. of this ordinance; or
- f. Any member retired under §22.2-75, Pensions for Members of Police and Fire Departments as of December 31, 1945, of Chapter 22.2, Pensions and Retirement, of the City Code, or the surviving spouse of any such member.

3. This ordinance shall be in full force and effect on January 1, 2006.

4. Pursuant to the provisions of Section 12 of the Roanoke City Charter, the second reading of this ordinance by title is hereby dispensed with.

ATTEST:

City Clerk.



**CITY OF ROANOKE**  
**OFFICE OF THE CITY MANAGER**

Noel C. Taylor Municipal Building  
215 Church Avenue, S.W., Room 364  
Roanoke, Virginia 24011-1591  
Telephone: (540) 853-2333  
Fax: (540) 853-1138  
CityWeb: [www.roanokegov.com](http://www.roanokegov.com)

**May 10, 2005**

Honorable C. Nelson Harris, Mayor  
Honorable Beverly T. Fitzpatrick, Jr., Vice Mayor  
Honorable M. Rupert Cutler, Council Member  
Honorable Alfred T. Dowe, Jr., Council Member  
Honorable Sherman P. Lea, Council Member  
Honorable Brenda L. McDaniel, Council Member  
Honorable Brian J. Wishneff, Council Member

Dear Mayor Harris and Members of City Council:

Subject: Capital Improvement Program  
Update for FY 2006-2010

**Background:**

The Capital Improvement Program (CIP) for Fiscal years 2006-2010 is a plan recommended for approval by City Council for capital expenditures to be incurred over the next five years in order to address the priority long-term capital needs of Roanoke. The CIP reflects the current status of projects which have previously been approved and funded by City Council, and is a revision to the Fiscal Years 2005-2009 Capital Improvement Program approved by City Council on May 13, 2004.

**Considerations:**

On April 18, 2005, City Council received the proposed Capital Improvement Program for Fiscal Years 2006-2010 as part of the Recommended Resource Allocation Plan. The Capital Improvement Program Summary Section in this document provides a summary of projects.

The Capital Improvement Program for Fiscal years 2006-2010 is comprised of capital projects with an estimated cost of project completion totaling \$257,922,677.

In addition, during the Financial Planning Work Session held in February 2005, City Council was briefed on the need for short-term financing in the amount of \$2.6 million to support the Financial Application Integration project. This project includes the replacement of our financial systems and includes the replacement of the accounting, tax/treasury, budget preparation, and human resource/payroll system applications. The need for financing is based on the cash flow to support the planned staging of projects. There is sufficient funding budgeted in the Technology Fund to support the required level of debt service. Authorization to hold a public hearing to issue bonds to support this project is included in this report.

On May 2, 2005, Council authorized the execution of an option agreement for the purchase of the Countryside Golf Course at a cost of \$4.1 million. Funding for the acquisition of the property will come from the issuance of bonds. Moving forward with this project may require the planned issuance of bonds for the planned Multipurpose Recreation Center to be shifted beyond Fiscal Year 2008. With the option fee of \$125,000 credited to the purchase cost, net funding of \$3,975,000 will be required. Authorization to hold a public hearing to issue bonds to support this project is included in this report.

Bonds will be issued during Fiscal Year 2005-06 for the following projects:

Previously Authorized

○ Riverside Center	\$ 5,500,000
○ Civic Facilities Expansion and Renovation	\$ 6,405,000
○ Patrick Henry High School	\$21,750,000
○ Fallon Park Elementary School	\$ 1,600,000
○ Westside Elementary School	\$ 3,850,000

To Be Authorized

○ Art Museum	\$ 3,700,000
○ Downtown West Parking Garage	\$ 2,600,000
○ Financial Application Integration	\$ 2,600,000
○ Countryside Golf Course	\$ 3,975,000

**Recommended Action:**

Approve a resolution endorsing the update to the CIP.

Authorize a public hearing to be held on June 20, 2005 for the issuance of general obligation bonds for the Art Museum (\$3,700,000), Downtown West Parking Garage (\$2,600,000), Financial Application Integration (\$2,600,000), and Countryside Golf Course (\$3,975,000).

Appropriate \$3,204,476 included in the FY 2005-06 Transfer to Capital Projects Account (001-250-9310-9508) to the respective capital project accounts established by the Director of Finance for the following projects:

- \$150,000 to Capital Project Account (008-530-9552) for Bridge Maintenance
- \$40,000 to Capital Project Account (008-530-9823) for Police Academy Building
- \$199,274 to Capital Project Account (008-530-9736) for Stormwater Management
- \$310,000 to Capital Project Account (008-530-9575) for Transportation Projects
- \$217,184 to Capital Project Account (008-056-9620) for Roanoke River Flood Reduction
- \$250,000 for Capital Project Account (008-530-9845) for Concept Design Courthouse Expansion
- \$250,000 for Capital Project Account (008-530-9799) for Streetscapes and Traffic Calming
- \$150,000 for Capital Project Account (008-440-9860) for Jail HVAC Design
- \$235,000 for Capital Project Account (008-615-8114) for the Roanoke Redevelopment and Housing Authority
- \$1,403,018 to Capital Project Contingency (008-530-9575) for prioritized projects

Appropriate \$1,100,000 of residual equity from the close-out of the Water and Sewer funds to:

- Carvins Cove Management Plan (008-620-9825) \$ 90,000
- Equipment Replacement (017-440-2642) \$450,000
- Technology Projects (013-430-1602) \$450,000
- Capital Project Contingency (008-530-9575) \$110,000

Respectfully submitted,



Darlene L. Burcham  
City Manager

DLB:acm

c: Mary F. Parker, City Clerk  
William M. Hackworth, City Attorney  
Jesse A. Hall, Director of Finance  
Sherman M. Stovall, Director of Management and Budget

CM05-00057

IN THE COUNCIL OF THE CITY OF ROANOKE, VIRGINIA

AN ORDINANCE to appropriate funding from the General and Capital Projects Funds for various capital improvement projects, amending and reordaining certain sections of the 2005-2006 Capital Projects, Department of Technology, and Fleet Management Funds Appropriations, and dispensing with the second reading by title of this ordinance.

BE IT ORDAINED by the Council of the City of Roanoke that the following sections of the 2005-2006 Capital Projects, Department of Technology, and Fleet Management Funds Appropriations be, and the same are hereby, amended and reordained to read and provide as follows:

**Capital Projects Fund**

**Appropriations**

Appropriated From General Revenue	008-530-9552-9003	\$ 150,000
Appropriated From General Revenue	008-530-9823-9003	40,000
Appropriated From General Revenue	008-530-9736-9003	199,274
Appropriated From General Revenue	008-510-9620-9003	217,184
Appropriated From General Revenue	008-530-9845-9003	250,000
Appropriated From General Revenue	008-530-9799-9003	250,000
Appropriated From General Revenue	008-440-9860-9003	150,000
Appropriated From General Revenue	008-615-8114-9003	235,000
Appropriated From General Revenue	008-620-9825-9003	90,000
Appropriated From General Revenue	008-530-9575-9003	1,823,018
Transfer to Department of Technology Fund	008-530-9712-9513	450,000
Transfer to Fleet Management Fund	008-530-9712-9517	450,000

**Revenues**

Transfer from General Fund	008-110-1234-1037	3,204,476
----------------------------	-------------------	-----------

**Fund Balance**

Residual Equity Transfer	008-3337	(1,100,000)
--------------------------	----------	-------------

**Department of Technology Fund**

**Appropriations**

Appropriated From General Revenue	013-430-1602-9300	450,000
-----------------------------------	-------------------	---------

**Revenues**

Transfer from Capital Projects Fund	013-110-1234-0959	450,000
-------------------------------------	-------------------	---------

**Fleet Management Fund**

Appropriations

Appropriated from General Revenue	017-440-2642-9003	450,000
-----------------------------------	-------------------	---------

Revenues

Transfer from Capital Projects Fund	017-110-1234-0959	450,000
-------------------------------------	-------------------	---------

Pursuant to the provisions of Section 12 of the City Charter, the second reading of this ordinance by title is hereby dispensed with.

ATTEST:

City Clerk.

WML

IN THE COUNCIL OF THE CITY OF ROANOKE, VIRGINIA,

A RESOLUTION endorsing the update to the Capital Improvement Program submitted by the City Manager by letter of May 10, 2005.

WHEREAS, by letter of May 10, 2005, and the attachment to such letter, the City Manager has presented an update to the City's Five-Year Capital Improvement Program for Fiscal Years 2006-2010 in the recommended Resource Allocation Plan totaling \$257,922,677;

WHEREAS, the program will require a public hearing on the authorization for the issuance of general obligation bonds for the Art Museum (\$3,700,000), the Downtown West Parking Garage (\$2,600,000), Financial Application Integration (\$2,600,000), and Countryside Golf Course (\$3,975,000);

WHEREAS, the Capital Improvement Program and the funding recommendation for projects is affordable and consistent with previous discussions by City Council and actions taken by City Council; and

WHEREAS, this Council is desirous of endorsing the recommended update to the Capital Improvement Program;

THEREFORE, BE IT RESOLVED by the Council of the City of Roanoke that this Council endorses and concurs in the recommendations of the City Manager for a certain update to the Five-year Capital Improvement Program for the City of Roanoke for Fiscal



Years 2006-2010, the related funding recommendations, as set out in the letter of the City Manager dated May 10, 2005, and the attachments to such letter, and authorizes the holding of a public hearing on June 20, 2005, on the issuance the of bonds described above.

ATTEST:

City Clerk.



# CITY OF ROANOKE

## OFFICE OF THE CITY MANAGER

Noel C. Taylor Municipal Building  
215 Church Avenue, S.W., Room 364  
Roanoke, Virginia 24011-1591  
Telephone: (540) 853-2333  
Fax: (540) 853-1138  
CityWeb: [www.roanokegov.com](http://www.roanokegov.com)

**May 10, 2005**

Honorable C. Nelson Harris, Mayor  
Honorable Beverly T. Fitzpatrick, Jr., Vice Mayor  
Honorable M. Rupert Cutler, Council Member  
Honorable Alfred T. Dowe, Jr., Council Member  
Honorable Sherman P. Lea, Council Member  
Honorable Brenda L. McDaniel, Council Member  
Honorable Brian J. Wishneff, Council Member

Dear Mayor Harris and Members of City Council:

Subject:      Approval of the City of  
Roanoke's 2005-2010  
Consolidated Plan

### Background:

In order to receive Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME) and Emergency Shelter Grant (ESG) funding, the City of Roanoke must submit a five-year Consolidated Plan and Annual Updates to the U.S. Department of Housing and Urban Development (HUD). The current 5-year Consolidated Plan for the City of Roanoke will expire on June 30, 2005.

### Considerations:

At the April 4<sup>th</sup> City Council Briefing, Council received a Summary of the Draft 2005-2010 HUD Consolidated Plan, which detailed the priorities and objectives for the 5-year period and the uses of funds recommended for FY 2005-2006, the first year of the plan. Council also received a draft of the Gainsboro Neighborhood Revitalization Strategy Area (NRSA) plan, which is a supplement to the 5-year Consolidated Plan. The Draft 2005-2010 Consolidated Plan was made available for public review and comment for the 30-day period beginning April 4, 2005. As part of the review, the draft plan was provided to Roanoke County, Salem, Vinton, and Botetourt County for any comments they had which might assist the City in preparing the plan. Opportunities for citizen input were provided at four public hearings held September 23, and November 4, 2004, March 31 and April 28, 2005. In addition, information regarding availability of the plan for public review was sent to each member of the Roanoke

The Honorable Mayor and Members of Council  
May 10, 2005  
Page 2

Neighborhood Advocates (RNA). The 5-year Consolidated Plan must be received by HUD on May 16, 2005, in order for the City's HUD fiscal year to begin on July 1, 2005.

The funding for FY 2005-2006, the first year of the new plan, would be available from the following sources:

New HUD Entitlements	\$2,909,053
Estimated Program Income	483,051
Estimated Carry-over	<u>711,514</u>
Subtotal	\$4,103,618


It is estimated that the \$4.1 million in HUD funds indicated above will leverage or otherwise be combined with as much as an additional \$5.4 million in other public and private funding. Thus, the total estimated investment in activities included in the Annual Update is approximately \$9.5 million.

The priorities and objectives of the new five-year plan incorporate adjustments in the distribution of CDBG funds under the City's HUD Funds Policy, regarding which Council was briefed in September 2004. During the five-year period, the priorities and objectives are structured to distribute 57% of the CDBG funds to housing, 22.5% to economic development, 10% to human services, 10% to neighborhood development and 0.5% to homeless services. Including HOME, which is entirely for affordable housing assistance, and ESG, which is entirely for homeless services, nearly two-thirds of these resources will be directed toward housing development.

**Recommended Actions:**

1. Approve the 2005-2010 Consolidated Plan and authorize the City Manager, or the City Manager's designee, to submit the plan to HUD for final review and approval, including execution of all necessary documents pertaining thereto, such documents to be approved as to form by the City Attorney.
2. Adopt the revised HUD Funds Policy incorporating a CDBG funds distribution of 57% for Housing, 22.5% for Economic Development, 10% for Human Services, 10% for Neighborhood Development and 0.5% for Homeless Services, with the uses HOME and ESG funds remaining unchanged.

Respectfully submitted,

  
Darlene L. Burcham  
City Manager

The Honorable Mayor and Members of Council  
May 10, 2005  
Page 3

DLB:feb

**Attachments**

c: Mary F. Parker, City Clerk  
William M. Hackworth, City Attorney  
Jesse A. Hall, Director of Finance  
Sherman M. Stovall, Director of Management & Budget  
Frank E. Baratta, Budget Team Leader

CM05-00048

# **Summary**

## **Draft 2005-2010 Consolidated Plan**



# CITY OF ROANOKE

## HUD ENTITLEMENT GRANTS

### FY 2005-2006

---

#### Overview

Each year, the City of Roanoke receives over \$3,000,000 in new federal funding under the Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME) and Emergency Shelter Grant (ESG) programs of the U.S. Department of Housing and Urban Development (HUD). Roanoke is designated an "entitlement community" under these programs, which means that the HUD funds are granted to the City each year using a formula based on population, income levels, and other factors. The amount of the grants received locally is determined by the total amount of funding the U.S. Congress appropriates and the number of entitlement communities nationwide. The City must submit a five-year Consolidated Plan with Annual Updates in order to receive its entitlements.

#### CDBG

The City has received CDBG funds for thirty years. These funds assist with housing, economic development, human services, neighborhood and other needs. For Fiscal Year 2005-2006, Roanoke's new entitlement will be \$2,104,805, down 4.6% from last year. However, including estimated carry-over funds and program income, a total of \$3,269,105 is expected to be available for Fiscal Year 2005-2006. This total represents an increase of 16.4% in the overall amount of CDBG funding available compared to the prior year. It is important to note that carry-over and program income are variable funding sources which may not be available at comparable levels in future years. The amount of CDBG funds which can be used for human services, planning and administrative activities is limited. To ensure that the maximum amount of CDBG funds is available for community needs, approximately \$560,000 in administrative activities previously funded by CDBG were transferred to the City's General Fund during previous years. No City staff are funded by CDBG, HOME or ESG.

#### HOME

Created by the National Affordable Housing Act of 1990, the HOME program addresses the nation's need for affordable housing by funding such projects as rehabilitation, new construction, homeownership assistance and improvements to rental housing. The City has received a HOME grant each year since 1992. For Fiscal Year 2005-2006, Roanoke's entitlement will be \$723,526. The City has not received any new HOME allocation under the "American Dream Downpayment Initiative" for 2005-2006. In all, this represents an \$84,773, or 10.5%, decrease compared to the 2004-2005 funding level. Considering estimated carry-over and program income, a total of \$753,791 is expected to be available for Fiscal Year 2005-2006 HOME activities, representing an overall 13.9% decrease in HOME funds compared to the previous year. As with CDBG funds, the amount of carry-over and program income may vary substantially from year to year. At least 15% of each year's new HOME basic entitlement must be reserved for projects conducted by certified Community Housing Development Corporations ("CHDOs"). HOME funds require a match from local cash and non-cash resources; the City's match requirement for Fiscal Year 2005-2006 is 12.5%.



#### ESG

ESG funds are provided to the City through the Stewart B. McKinney Homeless Assistance Act, under a process which may allocate funds intermittently. The allocation for Fiscal Year 2005-2006 is expected to be \$80,722, just \$9 less than the 2004-2005 funding level. ESG funds support assistance to homeless individuals and families, including assistance to shelters.

# FUNDING SUMMARY

Fiscal Year 2005-2006

(All funds estimated and subject to change.)

## Funding Available

CDBG:	2005-2006 Entitlement Grant	\$2,104,805
	2005-2006 Program Income <sup>(a)</sup>	458,051
	2004-2005 Carry-Over	300,000
	2004-2005 Excess Program Income	406,249
	<b>Subtotal ▾ CDBG Funds Available</b>	<b>\$3,269,105</b>
HOME:	2005-2006 Entitlement Grants	\$723,526
	2005-2006 Program Income <sup>(a)</sup>	25,000
	2004-2005 Carry-over	0
	2004-2005 Excess Program Income	5,265
	<b>Subtotal ▾ HOME Funds Available</b>	<b>\$753,791</b>
ESG:	2005-2006 ESG Entitlement Grant	\$80,722
<b>Total 2005-2006 CDBG, HOME and ESG Funds Available</b>		<b>\$4,103,618</b>

## Total 2005-2006 CDBG, HOME and ESG Funds Recommended for Allocation

**\$4,103,618**

## Balance of Funds Available

**\$0**

### <sup>(a)</sup> Estimated Program Income:

CDBG:	Hotel Roanoke	\$400,000
	Home Loans/Atlantic Mortgage	\$15,000
	Cooper Lease	\$13,333
	Lagniappe Loan	\$7,620
	Sands Woody Loan	\$6,722
	TAP SRO Loan	\$5,618
	RRHA Rental Rehab Loans	\$3,000
	Other RRHA Projects	\$5,000
	Downtown Associates	\$1,758
		<u>\$458,051</u>
HOME:	RRHA Projects	\$25,000

## 2005-2006 HUD Funding Recommendations

<b>Funding by Category:</b>	Economic Development	\$493,463
	Homeless Services	96,567
	Housing Development	2,823,521
	Human Development	313,067
	Neighborhood Development	377,000
	<b>Total</b>	<b>\$4,103,618</b>

**Breakout: Total 05-06 Funding Supporting Development Activities in City Council "Focus Neighborhoods" \$2,569,621**

### Funding by Project

Project Name	Agency	Current	Requested	For 05-06
Belmont Community Health Care Center	Belmont Health Care Center, Inc.	\$0	\$87,600	\$42,000
Block By Block Rehab Program	Total Action Against Poverty	\$0	\$223,300	\$0
BSCI Microloan Program (Contractor Training)	Business Seed Capital, Inc.	\$0	\$100,000	\$0
C2C Home Project	Council of Community Services	\$100,000	\$100,000	\$100,000
Campaign to Change the Face of Hunger	SW Va Second Harvest Food Bank	\$0	\$84,296	See Note (a)
CHPC Homeownership Program	Community Housing Partners Corp.	\$215,000	\$215,000	\$215,000
Demolition	Housing & Neighborhood Svcs	\$135,000	\$135,000	\$135,000
Domino Effect	W & G Investment Group	\$0	\$240,000	\$0
Downtown Safety, Environment Maint. & Outreach	Downtown Roanoke, Inc.	\$0	\$305,523	\$0
Education and Outreach	Greenvale School	\$0	\$50,568	\$25,000
Emergency Home Repair	Total Action Against Poverty	\$33,000	\$190,000	\$100,000
Empowering Individuals w/ Disabilities	Blue Ridge Independent Living Center	\$48,250	\$60,000	\$60,000
Environmental Ed. Ctr. Adopted School Program	Apple Ridge Farm	\$0	\$35,000	\$35,000
Fair Housing Impediments Reduction Program	Housing & Neighborhood Svcs	\$0	\$25,000	\$10,000
Gainsboro Culinary Arts Scholarships	Higher Education Authority	\$0	\$30,000	\$30,000
Gainsboro/Gilmer Facades Program	Economic Development	\$70,762	\$54,000	\$54,000
Gainsboro/Gilmer Neighborhood Revitalization	Housing Authority & Blue Ridge Housing	\$1,185,077	\$1,914,139	\$1,914,139
Hanover Project	Blue Ridge Housing Development Corp.	\$0	\$123,420	\$119,382
Historic Review Services	Management and Budget	\$7,500	\$10,000	\$10,000
Hotel Roanoke 108 Loan Payment	Finance Dept.	\$428,945	\$439,463	\$439,463
HUD Administration Funds	Management and Budget	\$2,500	\$2,500	\$2,500
Human Service for TBI Group Home	TBI Family Services	\$0	\$45,000	\$0
Hurt Park Revitalization, Phase I	Rke Redev and Housing Authority	\$0	\$412,000	\$0
Independent Housing for Special Needs	TBI Family Services	\$0	\$200,000	\$0
Individual Development Accounts Program	Total Action Against Poverty	\$22,406	\$15,012	\$11,036
Kuumba-New Facility	Kuumba Health & Wellness Center	\$0	\$500,000	\$125,000
Lead-Safe Roanoke	Environmental & Emergency Management	\$55,000	\$57,500	\$57,500
Neighborhood Development Grants	Housing & Neighborhood Svcs	\$40,000	\$35,000	\$35,000
Operation Paintbrush	Total Action Against Poverty	\$0	\$76,287	\$50,000
Pathways Program	Presbyterian Community Center	\$30,000	\$20,100	\$20,100
Program Expansion	CASA	\$0	\$40,000	\$0
Reading Adventure at West End Center	West End Center	\$0	\$40,000	\$40,000
Resident Program	YWCA	\$0	\$50,000	\$0
RESOURCE-FUL Elder Care Mgmt and Center	Family Services of Roanoke Valley	\$41,969	\$27,975	\$27,975
Restorative Justice for Juvenile Offenders	Conflict Resolution Center	\$0	\$45,218	\$45,218
Roanoke At Home Critical Repair Project	Blue Ridge Housing Development Corp.	\$0	\$75,000	\$50,000
Roanoke Valley Interfaith Hospitality Network	Roanoke Valley Interfaith Hospitality Network	\$12,800	\$15,117	\$15,117
School Age After-School Therapeutic Childcare	YWCA	\$39,754	\$26,635	\$26,635
Stand Against School and Community Violence	YMCA Family Center Branch	\$0	\$54,610	\$0
Summer Camp Scholarships	Boys & Girls Club	\$15,000	\$15,000	\$10,050
Target Neighborhood Infrastructure Improvements	Engineering	\$69,592	\$175,000	\$175,000
Ten-Year Plan to Eliminate Homelessness	Human/Social Services	\$0	\$15,845	\$15,845
Transitional Living Center	Total Action Against Poverty	\$12,431	\$22,117	\$22,117
TRUST, The Roanoke Valley Trouble Center	TRUST	\$30,500	\$43,488	\$43,488
Tutoring/Adult Literacy Program	Freedom Writers	\$0	\$25,000	\$0
Vacant and Derelict Rehab Program	Total Action Against Poverty	\$0	\$223,300	\$0
Women's Resource Center - Crisis Services	Total Action Against Poverty	\$39,477	\$26,449	\$26,449
YMCA Magic Place at Morningside	YMCA of Roanoke Valley	\$23,290	\$30,455	\$15,604
<b>Totals</b>		<b>\$2,658,253</b>	<b>\$8,681,056</b>	<b>\$4,103,618</b>

(a) A commitment of \$84,296 is being made to this project from 2006/2007 funds.



## 2005-2006 Draft Action Plan Project Summaries

- **Belmont Community Health Care Center (Belmont Community Health Center, Inc.)** To initiate the predevelopment phase of creating a health care center for the Belmont-Fallon neighborhood, including hiring a project manager, A & E fees and other needs. The property is currently held by Blue Ridge Housing Development Corp. and is to be transferred to the Center at the appropriate time. **(Funding Recommended: \$42,000)**
- **Block by Block Rehab Program (Total Action Against Poverty)** To acquire, rehabilitate and sell to eligible qualified buyers 2 homes in the Hurt Park neighborhood. Properties of interest are on the 1300 and 1500 blocks of Chapman Avenue. TAP would acquire the properties with its own funds, but be reimbursed from the sale proceeds. **(No Funding Recommended)**
- **BSCI Microloan Fund (Business Seed Capital, Inc.)** To provide business management training for small construction contractors to help them become more stable and profitable, with links to the BSCI loan pool to which the City has already contributed \$100,000 CDBG. **(No Funding Recommended)**
- **C2C Home (Council of Community Services)** To assist with predevelopment and development costs of the home construction phase of the C2C project, including acquisition, site preparation, planning and related costs. **(Funding Recommended: \$100,000)**
- **Campaign to Change the Face of Hunger (Southwestern Va Second Harvest Food Bank)** To purchase, renovate, and provide for other costs related to the agency's relocation to a larger, more suitable facility at 1025 Electric Road in Salem. **(Funding Recommended: \$84,296 future commitment for 2006-2007 period)**
- **CHPC Homeownership Program (Community Housing Partners Corp.)** To acquire, renovate and sell to qualified buyers 8 homes in the Hurt Park/Mountain View/West End neighborhood, including homeowner education through Blue Ridge Housing. CHPC will assist first-time homebuyers with permanent financing through VHDA "SPARC" funds. **(Funding Recommended: \$215,000)**
- **Demolition (Dept. Of Housing & Neighborhood Services)** To demolish 20 vacant, condemned structures that are not feasible for rehabilitation. Funds will be used for demolition and related costs. **(Funding Recommended: \$135,000)**
- **(The) Domino Effect (W & G Investment Group)** To acquire and renovate housing for rental or sale to low/mod tenants or buyers. Rehabilitation is expected to be complete by 6/30/06, but full occupancy of all units may extend to 12/31/07. **(No Funding Recommended)**
- **Downtown Safety, Environmental Maintenance and Outreach Program (Downtown Roanoke, Inc.)** To provide for salaries/benefits, equipment and other operating costs to train and employ ambassadors to supplement such City services as litter, weed and graffiti control and outreach to homeless in downtown. **(No Funding Recommended)**
- **Education & Outreach (Greenvale School, Inc.)** Provides funding to increase the number of families assisted by the Get Well (sick child) services offered by Greenvale. **(Funding Recommended: \$25,000)**
- **Emergency Home Repair (Total Action Against Poverty)** To provide limited and emergency repairs for 40 owner-occupied single-family homes. This program will serve any low/mod-income person in all areas of the City other than the Gainsboro and Gilmer neighborhoods. **(Funding Recommended: \$100,000)**
- **Empowering Individuals with Disabilities (Blue Ridge Independent Living Center)** To provide home modifications such as ramps and grab bars to assist 30 individuals with disabilities with their daily living. All CDBG funds requested would be for project costs. **(Funding Recommended: \$60,000)**
- **Environmental Education Center (EEC) at Apple Ridge Farm Adopted School Program (Apple Ridge Farms, Inc.)** Provides funding to allow students from each of the 5 "adopted" schools to come to the EEC four

times each school year and study, free of charge, courses designed to boost SOL scores. **(Funding Recommended: \$35,000)**

- **Fair Housing Impediments Reduction Program (Dept. Of Housing & Neighborhood Services)** To provide for such activities of the Fair Housing Board as workshops, distribution of a fair housing booklet, and collection of data on housing complaints, associated with reducing impediments to fair housing choice, including those identified in the 2001 Analysis of Impediments commissioned by the City. **(Funding Recommended: \$10,000)**
- **Gainsboro Culinary Arts Scholarships (Higher Education Authority)** To provide scholarships for Gainsboro residents to obtain skills in culinary arts, in support of the Gainsboro Neighborhood Revitalization Strategy Area (NRSA) plan. **(Funding Recommended: \$30,000)**
- **Gainsboro/Gilmer Facade Grants (Dept. of Economic Development)** To provide facade grants for 65% of the costs up to \$9,000 per business in these two neighborhoods. **(Funding Recommended: \$54,000)**
- **Gainsboro/Gilmer Neighborhood Revitalization Activities (Blue Ridge Housing Development Corp. and Roanoke Redevelopment and Housing Authority)** To provide additional new homeownership and owner- and tenant-occupied rehabilitation housing assistance as part of the concentrated revitalization activities in this neighborhood. **(Funding Recommended: \$1,914,139)**
- **(The) Hanover Project (Blue Ridge Housing Development Corp.)** To rehabilitate and sell two homes in the Hanover Ave. area to eligible families, with links to the World Changers program to create additional improvements in the neighborhood. **(Funding Recommended: \$119,382, including \$108,529 in CHDO Project Funds and \$10,853 CHDO Operating Funds)**
- **Historic Review Services (Dept. of Management and Budget)** Funds set aside for contracted historic review services **required** by federal regulations prior to altering the appearance of housing or other structures with CDBG and/or HOME assistance. **(Funding Recommended: \$10,000)**
- **Hotel Roanoke 108 Loan Payment (Dept. of Finance)** Funds set aside for the 12<sup>th</sup> of 20 installments to repay the \$6,000,000 HUD Section 108 loan associated with renovating the Hotel Roanoke. **(Funding Recommended: \$439,463)**
- **HUD Administration Funds (Dept. of Management and Budget)** Funds for such costs as special property inspections, additional environmental review services, ads or other needs arising as part of the administration of the HUD funds. **(Funding Recommended: \$2,500)**
- **Human Services for Group Home Serving Traumatic Brain Injury (TBI) Survivors (TBI Family Services)** Funds for staff and training supplies associated with the CDBG application requesting funds to create 6 affordable housing units in a group-home/public facility setting for survivors of traumatic brain injuries. **(No Funding Recommended)**
- **Hurt Park Neighborhood Revitalization, Phase I (Roanoke Redevelopment and Housing Authority)** To initiate the first phase of a neighborhood revitalization plan in the Hurt Park area through the acquisition of property for new infill construction and vacant structures for rehabilitation, and laying the groundwork for conveyance of the properties to other public or private developers and coordination with residents and City personnel. **(No Funding Recommended)**
- **Independent Housing for Special Needs of 4 to 6 (TBI Family Services)** To create a special needs group home with 6 affordable units for survivors of traumatic brain injuries. All funds requested are for construction; however, the design includes providing supportive services needed to re-integrate the client-occupants into the community. **(No Funding Recommended)**
- **Individual Development Account (IDA) Project (Total Action Against Poverty)** Partial operating funds to conduct a program assisting lower-income city residents to accumulate savings for the downpayment to purchase a home. **(Funding Recommended: \$11,036)**

- **Kuumba–New Facility (Kuumba Community Health & Wellness Center)** To acquire, renovate and equip a new facility to replace its present facilities at 3716 Melrose, which the Center has outgrown. **(Funding Recommended: \$125,000)**
- **Lead-Safe Roanoke (Office of Environmental & Emergency Management)** To provide additional matching funds required for the \$1.5 million lead hazard control grant awarded to the City by HUD. The funds will be used for housing rehabilitation costs to control lead hazards. **(Funding Recommended: \$57,500)**
- **Neighborhood Development Grants (Dept. Of Housing & Neighborhood Services)** To provide \$250 to \$25,000 grants to organizations for small neighborhood projects. **(Funding Recommended: \$35,000)**
- **Operation Paintbrush (Total Action Against Poverty)** To provide house painting services for owner-occupied single-family homes. Homes to be assisted would be those with painting code violations which have been referred to the program by City Code Enforcement. **(Funding Recommended: \$50,000)**
- **Presbyterian Community Center Pathways Program (Presbyterian Community Center)** Provides funds for staffing and program materials/supplies associated with after-school tutoring and homework assistance program for southeast school children. **(Funding Recommended: \$20,100)**
- **Program Expansion 2005-2006 (Roanoke Valley CASA Foundation)** Funds for staff, website development, marketing materials, and training for volunteers to be recruited, trained and supervised regarding the needs of abused and neglected children. **(No Funding Recommended)**
- **Reading Adventure at West End Center (West End Center for Youth)** Provides for a contract with Apple Ridge Farm, Inc. for instructors, supervision and training associated with the Reading Adventure Program on site at West End Center. **(Funding Recommended: \$40,000)**
- **Resident Program (YWCA of Roanoke Valley)** Funds for staffing an additional position to provide counseling assistance and case management to residents at risk of becoming homeless. **(No Funding Recommended)**
- **RESOURCE-FUL – Facility Based Elder Care Mgmt & Resource Center (Family Services of Roanoke Valley)** Funds staff wages, taxes, benefits for care management and counseling services, along with educational and resource identification information at Morningside Manor, Melrose Towers, and McCray Court. **(Funding Recommended: \$27,975)**
- **Restorative Justice for Juvenile Offenders (Conflict Resolution Center)** Funds staff wages, taxes, benefits, materials/supplies, and stipends for mediators/facilitators assisting in the restorative justice program that responds to juvenile crime by bringing together victims, offenders, and community members in a non-adversarial community-based process. **(Funding Recommended: \$45,218)**
- **Roanoke-At-Home Critical Repair Project (Blue Ridge Housing Development Corp.)** To make critical interior and exterior repairs to 5 single-room occupancy (SRO) facilities, including establishing a maintenance reserve fund. Overhead costs are contributed by the applicant. **(Funding Recommended: \$50,000)**
- **Roanoke Valley Interfaith Hospitality Network (Roanoke Valley Interfaith Hospitality Network)** Funds to assist essential services and maintenance/operation of the shelter, such as purchasing cots/bedding; client assistance funds; and client transportation (fuel and maintenance of program's van); telephone lines for case management; laundry supplies; assurance of accessibility; and assistance with prescription costs. **(Funding Recommended: \$15,117)**
- **School Age After-School Therapeutic Childcare (YWCA of Roanoke Valley)** Funding provides for program staffing and materials. The YWCA in collaboration with Blue Ridge Behavioral Healthcare, City of Roanoke Schools, and area shelters will provide school age therapeutic childcare, which combines educational after school programming with outpatient therapeutic treatment services to children who have mental, behavioral, or emotional illness. **(Funding Recommended: \$26,635)**
- **Stand Against School and Community Violence (YMCA – Family Center Branch)** Funds to offer positive alternatives during the daytime for middle school students who have been expelled from school and are not allowed to attend the regular school day classes. **(No Funding Recommended)**

- **Summer Camp Scholarships (Boys & Girls Club of Roanoke Valley)** Funds for scholarships to disadvantaged youth which allows them to attend the summer program offered by the Boys & Girls Club. **(Funding Recommended: \$10,050)**
- **Targeted Neighborhood Infrastructure Improvements (Engineering Division)** Funds for sidewalks, curb and gutter or other infrastructure needs in the Gainsboro neighborhood. **(Funding Recommended: \$175,000)**
- **Ten-Year Plan to Eliminate Homelessness (Dept. of Social Services)** Provides funds to develop strategies to eliminate homelessness through regional agency and jurisdictional coordination and cooperation. **(Funding Recommended: \$15,845)**
- **Transitional Living Center (Total Action Against Poverty)** Provides for essential services and maintenance/operational costs of shelter, such as utilities; space repairs; equipment/furnishings; equipment repair; client travel – cab, bus; resident healthcare; drug screening supplies; and assistance with prescription costs. **(Funding Recommended: \$22,117)**
- **TRUST, Roanoke Valley Trouble Center, Inc. (TRUST)** Provides for essential services and maintenance/operational costs of shelter, such as transitional and emergency housing; including emergency hotel stays for families when TRUST is full; drug testing; food and assistance with prescription costs. **(Funding Recommended: \$43,487)**
- **Tutoring/Adult Literacy Program (Freedom Writers)** Funds to establish a tutoring/adult literacy program for children and adults who can not read and write. **(No Funding Recommended)**
- **Vacant and Derelict Rehab Program (Total Action Against Poverty)** To acquire, rehabilitate and rent to eligible families 2 homes in the Hurt Park neighborhood. Note: This project differs from the “Block by Block Rehab Program” in that it is targeted to create rental properties on Patterson, Rorer and other streets in Hurt Park. **(No Funding Recommended)**
- **Women’s Resource Center Domestic Violence Crisis Services (Total Action Against Poverty)** Provides for staff costs of a crisis intervention counselor and some materials for the program, which responds to the needs of domestic violence victims and their children. **(Funding Recommended: \$26,449)**
- **YMCA Magic Place – Morningside (YMCA of Roanoke Valley)** Funding for staffing and program activities of the after-school program at Morningside Elementary School. **(Funding Recommended: \$15,604)**

## **City of Roanoke 2005 – 2010 Consolidated Plan Priorities and Objectives**

**Preamble:** As an urban center, the City of Roanoke provides a broad array of benefits and services to those who live, work or visit here. This willingness to address the needs of the community has also led to the City becoming a regional locus of needs. To thrive and remain healthy into the future, it is vitally important that the City establish and maintain a balance—in incomes, housing choices, economic opportunities and in all those elements by which a community's well-being is measured. The priorities and objectives of this 5-Year Consolidated Plan are set forth with the intent of contributing to this well-being. As such, they reflect the over-arching goals of:

- Increasing homeownership
- Reducing substandard housing
- Increasing per capita income
- Reducing segregation
- Dispersing low- and moderate-income housing
- Expanding market-rate housing

The priorities and objectives encompass only those activities that will be assisted with the City's CDBG, HOME or ESG funds. City HUD administrative costs (eg. environmental review consultants; non-routine property inspections; special purpose advertisements) are implied by the activities and are not listed as separate priorities or objectives. In addition, CDBG funds to be used to repay the City's Hotel Roanoke Section 108 loan represent a contractual obligation and are not listed as a separate objective under the Economic Development priority.

### **ECONOMIC DEVELOPMENT**

**Priority Statement:** Promote the creation, expansion, retention and health of business and industry, including the enhancement of workforce development and employment opportunities for youth and adults.

**Objectives:**

1. Assist with improvements to 20 commercial/industrial properties located in target neighborhoods or other predominantly low/mod Census Tracts, Conservation Areas or Rehabilitation Districts, or in the Central Business District.
2. Provide workforce and related training reflecting area labor market employment opportunities for at least 100 individuals.
3. Create 100 jobs through financial assistance and/or business development services for entrepreneurs and/or expanding small companies.

### **HOMELESS SERVICES**

**Priority Statement:** Promote activities, including efforts to encourage commitments on the part of neighboring communities and the region, to determine the nature and extent of homelessness, and reduce its incidence, impact or threat.

**Objectives:**

1. Assist the emergency and transitional needs of homeless individuals and families, and those in danger of becoming homeless, through annual financial assistance for the repair, maintenance and operation of shelters or other activities.
2. Through interagency coordination and cooperation, including regional efforts, develop a comprehensive plan identifying strategies to eliminate homelessness in ten years.

### **HOUSING DEVELOPMENT**

**Priority Statement:** Promote the creation of new homeownership opportunities, the maintenance and improvement of existing housing, and the removal of structures that are unsuitable for rehabilitation, including activities addressing fair housing and the needs of special populations.

Objectives:

1. Provide financial incentives to 60 middle-income homebuyers to acquire and/or rehabilitate substandard housing that is contributing to neighborhood blight.
2. Construct or rehabilitate and sell 95 single-family homes to low- or moderate-income homebuyers.
3. Provide housing counseling and education, including assistance in accessing private sector financing, for 100 potential homebuyers seeking to buy homes within the city.
4. Demolish or cause to be demolished, after consultation with the affected neighborhoods, 50 buildings determined to be infeasible for repair, due to advanced deterioration and/or other factors.
5. Assist the substantial rehabilitation of 100 owner- or tenant-occupied housing units.
6. Assist accessibility or other home modifications for 100 special needs units.
7. Construct or rehabilitate for sale or for tenant occupancy 15 special needs housing units.
8. Provide limited and emergency repairs for 100 owner-occupied single family homes.
9. Provide downpayment and closing cost assistance for 50 homebuyers who are purchasing homes in the City
10. Conduct fair housing education and remove or reduce impediments to fair housing choice.

## **HUMAN DEVELOPMENT**

Priority Statement: Promote activities which contribute to the healthy development of the City's youth, adults and families, including those with special needs.

Objectives:

1. Assist 5,000 families and/or individuals through educational, cultural, health, social or other developmental services and activities.
2. Conduct a Valley-wide conference to develop strategies for improving regional coordination of human services.

## **NEIGHBORHOOD DEVELOPMENT**

Priority Statement: Promote activities to preserve and enhance the physical quality and vitality of the City's neighborhoods/village centers and develop the capacity of neighborhood individuals and organizations to participate in such activities.

Objectives:

1. Assist the preservation and rehabilitation of 5 historically and/or culturally significant structures in the city's downtown and neighborhoods.
2. Assist at least 5 neighborhood-based organizations per year to conduct blight-reduction, beautification, crime prevention, leadership/capacity development, development planning, or other neighborhood improvement activities.
3. Improve street, lighting, drainage or other infrastructure in at least 3 City neighborhoods.
4. Assist in the acquisition or improvement of 4 public facilities such as community, health or cultural center

DRAFT

GAINSBORO NEIGHBORHOOD  
NEIGHBORHOOD REVITALIZATION STRATEGY  
AREA (NRSA) PLAN

APRIL 2005

**City of Roanoke**  
**Department of Management & Budget**  
**215 Church Avenue, SW, Room 354**  
**Roanoke, VA 24011**



## **Table of Contents**

I.	Introduction and Purpose of the Plan	1
II.	Gainsboro Neighborhood Background and History	3
III.	Components of the Plan	6
	A. Boundaries	6
	B. Demographic Criteria	6
	C. Consultation	7
	D. Assessment	9
	E. Economic Empowerment	10
	F. Performance Measurements	18
IV.	Conditions for Success	21
	Attachment – Map of the Proposed Gainsboro NRSA	23



## **I. Introduction and Purpose of the NRSA Plan**

The development of a Neighborhood Revitalization Strategy Area (NRSA) plan for the Gainsboro Community provides a unique opportunity to promote the long-term strength and stability of an older neighborhood of Roanoke with residential, commercial, industrial and historical uses. This plan identifies strategies to revitalize Gainsboro which include increasing the homeownership rate through rehabilitation and new construction, rehabilitating owner-occupied housing, enhancing neighborhood business opportunities, and promoting employment opportunities. In coordination with the Roanoke Redevelopment and Housing Authority (RRHA) and Blue Ridge Housing Development Corporation (BRHDC), the City of Roanoke continues to forge a partnership with businesses, community groups, and residents to address community revitalization through a comprehensive strategy.

The framework for the NRSA approach was established by the U.S. Department of Housing and Urban Development (HUD) in the regulations entitled "Consolidated Submissions for Community Planning and Development Programs" [24 CFR 91.215(e)(2)]. This approach is intended to enable communities to tailor strategies to meet local needs through a flexible holistic process linking economic, human, social, physical, environmental and design concerns to build viable neighborhoods of opportunity. Under these regulations, cities are permitted to prepare and submit neighborhood revitalization plans as part of the local Consolidated Plan. The issuance of HUD Notice CPD-96-01 entitled Community Development Block Grant (CDBG) Neighborhood Revitalization Strategies on January 16, 1996 provided further guidance addressing the approval regulatory framework and incentives to develop a NRSA.

The elements of this plan are consistent with the format presented in HUD Notice CPD-96-01 and include:

- Boundaries – The boundaries of the designated area.
- Demographic Criteria – The demographic characteristics of the area (statistics about the residents of the community).
- Consultation – The consultative approach to the community stakeholders (input from the residents, business owners, nonprofit organizations, community groups and churches located in the designated area).
- Assessment – An assessment of the economic conditions of the area and the opportunities for economic development.
- Economic Empowerment – The plan to create meaningful jobs for low- and moderate-income persons of the area.
- Performance Measurements – The plan to identify progress that is readily measurable.

Although the strategies presented in this plan will ultimately generate a number of important benefits for the community, the NRSA plan will enable the City of Roanoke to implement a mixed-income development strategy for the community while providing certain flexibility in the use of CDBG-funded business development assistance. Community Development Block Grant (CDBG) funds for affordable housing development have traditionally benefited only low-income families. The NRSA plan will allow the City of Roanoke to construct or rehabilitate and market

housing in the Gainsboro Neighborhood to individuals and families of a diverse range of income levels, thereby creating a broader income base in the community.

Upon adoption by the Roanoke City Council and approval by HUD, this plan will become part of the City of Roanoke's 2005-2010 Consolidated Plan. While the NRSA-related activities in Gainsboro are expected to extend through 2006, and possibly 2007, the City reserves the right, subject to funds availability, to extend the Gainsboro NRSA activities for the entire period of the 2005-2010 Consolidated Plan. The NRSA plan will be evaluated periodically during this period against the benchmarks established herein, and to determine whether activities will require a continuation under the next Consolidated Plan.

## **II. Gainsboro Neighborhood Background and History**

The Gainsboro neighborhood lies north of Downtown Roanoke. It is an area on the edge of Downtown that has become deteriorated. Where there was once a seamless transition into surrounding neighborhoods, such edge areas tend to be characterized by vacant and abandoned properties and other signs of disinvestment. But Gainsboro is primed for renaissance as a healthy urban neighborhood. Significant public and private investment has occurred along the neighborhood's southern edge. With targeted public investment, it is possible to spur revitalization of the entire neighborhood. NRSA is an important component of using public investment in a comprehensive approach that will "prime the pump" for private investment in the neighborhood.

### **History (adapted from the Gainsboro Neighborhood Plan)**

Gainsboro's history and character make it one of Roanoke's most distinctive neighborhoods. The name Gainesborough (later shortened to Gainsboro) formerly referred to an area that was centered at the present intersection of Orange Avenue and Williamson Road. Developer William Rowland laid out the area and it was named after its founder and financier, Major Kemp Gaines. The Town of Gainesborough was incorporated in 1835. When the Virginia and Tennessee Railroad arrived in 1852, it passed to the south of Gainesborough. Commerce and population began to move south toward the railroad in the area of downtown and the present-day Gainsboro neighborhood. This new settlement was called Big Lick and the older areas were referred to as Old Lick. Old Lick became a predominantly African American community. Old Lick and Big Lick eventually became Roanoke in 1882.

Most of the development in what is now the Gainsboro neighborhood occurred between 1890 and 1940. Beginning in the 1920s, the Gainsboro neighborhood transformed from a predominantly white residential neighborhood to a predominantly African American community, with its own institutions, businesses, and leaders. Gainsboro is noted for its development between 1900 and 1920, when Henry Street became the cultural and commercial center of the African American community. Gainsboro in the 1930s was the center for Roanoke's minority businesses, public facilities, housing and services. Residents included teachers, doctors, ministers, nurses, small business operators, and artisans. The area is notable as one of the few places in the South where the African American community developed self-sufficient institutions and services such as a library, hospital, school, newspaper, and hotel.

The area of Wells, Gilmer, and Patton Avenues and Henry Street played a key role in the growth and development of Roanoke. The area was home to one of the major railway systems in the United States and was selected as the site for the Hotel Roanoke, originally built in 1882 (later remodeled in 1938) by Norfolk & Western Railway. In the late 1800s, several major religious denominations built their first churches in the area.

Today, Gainsboro has numerous landmark buildings that provide a link to Roanoke's past. Buildings on the National Register of Historic Places include St. Andrews Catholic Church, the Hotel Roanoke, the Gainsboro Library, and the Norfolk & Western Railway buildings (now the

Higher Education Center and Eight Jefferson Place). Portions of the residential areas of the neighborhood have been identified as eligible for listing on the National Register.

In addition to important landmark buildings, the neighborhood was home to several African Americans whose life achievements had an impact on our nation. The childhood home of Oliver W. Hill, a renowned civil rights lawyer, is located on Gilmer Avenue. Judge Edward R. Dudley, the first black United States ambassador, also lived on Gilmer Avenue in Gainsboro. Dr. J.H. Roberts, Dr. J.B. Claytor, Sr., S.F. Williman and Dr. L.C. Downing, all were residents of the Gainsboro community and all were founders of the Burrell Memorial Hospital. Originally located on Henry Street, the hospital was chartered in 1915, and was one of the first to serve the African American community of the Roanoke Valley.

Like many inner-city neighborhoods in America, the Gainsboro community continues to deal with the consequences of the urban renewal programs of the 1960s and 70s that displaced many families and businesses. It is crucial that the community is involved in determining its own future and that the community's goals and interests are reflected in future development, ultimately leading to a better and more vibrant Gainsboro.

In 2002, the City of Roanoke began work with community representatives to develop the Gainsboro Neighborhood Plan. This plan, which City Council adopted as a component of Roanoke's Comprehensive Plan, in addition to development initiatives, establishes a framework for more specific planning such as this NRSA plan.

The Gainsboro Neighborhood Plan identified five Strategic Initiatives on which implementation should be focused:

- **Housing Development:** A comprehensive, community-endorsed housing strategy is required. The strategy should promote rehabilitation, maintenance, well-designed infill development, and increased resident ownership.
- **Henry Street Revitalization:** Henry Street is important to the neighborhood's overall revitalization because it will provide a nucleus around which the neighborhood can develop. The development of new commercial, cultural, entertainment, and educational activity along Henry Street will stimulate housing revitalization and new investment in the surrounding neighborhood.
- **Conservation:** Zoning changes are needed to establish future land use patterns and architectural design standards that will protect the character of the neighborhood. Eligible residential areas should be nominated for listing on the National Register of Historic Places and Virginia Landmarks Register. Historic designations will promote rehabilitation and high quality infill development.
- **Capacity Building:** Gainsboro's residents are willing participants in determining the future of their neighborhood. Neighborhood-based organizations will be crucial to initiating and sustaining revitalization efforts. The many groups and individuals working

toward Gainsboro's revitalization should collaborate to ensure open communication and awareness of development projects.

- **Infrastructure:** Gainsboro should have safe, well-designed streets and other infrastructure. Traffic management and street design must be evaluated and improved to ensure compatibility with the neighborhood setting.

Through neighborhood planning workshops and input from residents, the following general community values were agreed upon:

- Encourage increased homeownership levels in the neighborhood.
- Protect the architectural character of the neighborhood. New buildings should respect the existing neighborhood character with respect to scale and design.
- Existing residential areas should be protected from encroachment by commercial uses.
- Encourage continuing personal development through educational, cultural and historical resources.
- Ensure that all residents and owners responsibly maintain their properties.
- Promote a safe, crime-free environment for those who live, work, and play in the neighborhood.
- Welcome diverse nationalities, races, ages, and income levels.

In September 2001, Roanoke adopted a new policy for the use of CDBG, HOME Investment Partnership Program (HOME) and Emergency Shelter Grant (ESG) funds (hereinafter, collectively referred to as "HUD funds"). The new policy focused CDBG and HOME resources in targeted neighborhood areas to achieve visible and lasting impacts. After the Bullitt-Jamison corridor was designated as an initial pilot area to implement and test the efficacy of the targeted approach, the City Manager appointed a "Neighborhood Selection Task Force" to determine the next neighborhoods to be targeted. This 15-member group consisted of community leaders, housing professionals, realtors, and bankers. The group developed an objective methodology, including criteria for evaluating neighborhood need. Of the 26 predominantly low and moderate income neighborhoods considered, the first six identified using the methodology, with Gainsboro heading the list, were designated for future concentrated HUD funding assistance.

### **III. Components of the Plan**

#### **A. Boundaries**

Located in the heart of Roanoke just north of the City Market, Gainsboro is bounded on the north by Orange Avenue, on the west by 5<sup>th</sup> Street, on the east by I-581/Williamson Road, and on the south by Shenandoah Avenue. A map of the boundaries is included as part of this plan.

The Gainsboro neighborhood is primarily a residential neighborhood, though it contains significant commercial and industrial development. Approximately 76 acres are zoned for residential uses, 41 acres for commercial purposes<sup>1</sup>, and 43 acres for industrial uses. Though land area alone would suggest that residential is not the predominant use, several large single uses account for large land areas.<sup>2</sup> Looking at the number of parcels, however, gives a true picture of how the neighborhood is oriented. There are 544 residentially-zoned parcels (255 of which are vacant)<sup>3</sup>, 90 commercial parcels, and 21 industrial parcels. While the boundaries could have been adjusted to effectively increase the residential proportion, we feel it is important to adhere to the neighborhood's predetermined boundaries which are important to the community and to the economic empowerment component of this NRSA.

#### **B. Demographic Criteria**

Gainsboro is one of the few urban neighborhoods in Roanoke that has seen population growth. The population increased from 890 in 1990 to 1186 in 2000 (U.S. Census). The neighborhood gained 300 residents, in part due to the opening of Our Lady of the Valley Nursing Home which can accommodate 170 residents. Eight Jefferson Place features 80 upscale apartments with a capacity of 150 residents, so continued population growth is possible.

As the table below indicates, there is a higher concentration of older, minority individuals in the Gainsboro neighborhood. The minority population in Gainsboro is approximately 77%, compared to a minority population of 31% for the entire City of Roanoke. The data also indicate that the percentage of residents who are at the low-moderate and below poverty income levels is higher in Gainsboro than the City of Roanoke as a whole. With respect to housing, the homeownership rate in Gainsboro is 40%, well below the 56% rate for the entire City of Roanoke. The data indicate that while a small percentage of the homes lack complete plumbing and kitchen facilities, the prevalence of such conditions is four to six times greater than for the entire City of Roanoke. Meanwhile, at \$42,600, the median value of homes in Gainsboro is only roughly half that of the community overall. This is due to the concentration of poor housing and vacant lots in the neighborhood.

---

<sup>1</sup> One acre of commercially zoned property is occupied by an 87-unit apartment building.

<sup>2</sup> Saint Andrews Catholic Church occupies 13 acres, Coca-Cola plant occupies 27 acres, and the Hotel Roanoke & Conference Center occupies 10 acres.

<sup>3</sup> Information taken from 2000 U.S. Census

**Table 1**  
**Comparison of Selected Demographic Characteristics**

<b>Selected Demographic Characteristic</b>	<b>Gainsboro</b>	<b>City of Roanoke</b>
Total Population	1,186	94,911
Total Population Age 65 and older	29%	16%
2000 Minority Population	77%	31%
1999 Median Family Income	\$28,600	\$37,826
2000 HUD Low-moderate income population	64.7%	52.4%
1999 population w/ income below poverty level	18%	16%
Total Housing Units	534	45,257
Total Vacant Units	11%	7%
Total Owner-Occupied Units	40%	56%
Total Housing Units lacking complete plumbing facilities	2.1%	0.5%
Total Housing Units lacking complete kitchen facilities	6.6%	0.9%
Median Value for all owner-occupied housing units	\$42,600	\$80,100
Median Gross Rent as a percentage of household income	26.5%	24.3%

In summary, while the Gainsboro neighborhood has a long and rich history and culture, the demographics above reveal a number of stresses. An older population with less income to maintain property contributes to the lower property values and higher incidence of vacant land, often due to the clearance of houses that have become too deteriorated to restore. A higher percentage of those that remain become rental property, with a consequent loss of stability in the resident population and in the sense of having a stake in the community. Such extrapolations from the data support the need for concentrated revitalization efforts, such as are now being pursued.

### **C. Consultation**

The initial work on this NRSA plan was conducted by City of Roanoke staff in the Department of Management and Budget in consultation with staff of various other departments. The nature and benefits of preparing a plan were discussed with the Gainsboro Steering Committee and residents at meetings in early 2005. Much of the NRSA plan's understanding of neighborhood goals and needs relies on the extensive process used to develop the Gainsboro Neighborhood Plan, which over the course of roughly two years involved residents, neighborhood organizations, property owners, and business owners of the Gainsboro neighborhood in numerous meetings and discussions. Specific points of NRSA plan consultation are indicated in the table below.

---

Gainsboro Area (Block Group 2, Census Tract 7 - carries a small portion of Gilmer Avenue and excludes the Hotel Roanoke & Conference Center)

\*\*\*All information taken from 2000 U.S. Census\*\*\*

**Table 2**  
**Consultation and Plan Development Schedule**

<b>Event/Meeting</b>	<b>Date</b>
<b>Gainsboro Steering Committee Meeting</b>	<b>1/20/05</b>
<b>Gainsboro Executive Committee Meeting</b>	<b>1/25/05</b>
<b>Gainsboro Neighborhood Alliance Meeting</b>	<b>2/7/05</b>
<b>Gainsboro Steering Committee NRSA Plan Review and Comment</b>	<b>pending</b>
<b>General Public NRSA Plan Review and Comment</b>	<b>pending</b>

On January 20, 2005, City staff made a presentation regarding the NRSA plan to the Gainsboro Steering Committee. The steering committee is made up of residents and businesses within the neighborhood whose responsibility is to guide the revitalization process of their neighborhood utilizing the Neighborhood Plan. During the presentation, staff discussed how the NRSA plan could provide additional flexibility in achieving some of the goals in the community's neighborhood plan such as increasing homeownership, diversity of housing, income diversity, and economic opportunities. City staff also sought the committee's assistance in reaching other stakeholders in the neighborhood to promote the NRSA plan. Following the presentation, residents were given the opportunity to comment and voice their views about the plan.

City staff met with executive committee of the Gainsboro Steering Committee on January 25<sup>th</sup> to review and discuss the plan in greater depth. The area of economic empowerment is one of intense interest to the committee, especially regarding attracting new businesses that might dramatically affect land use and the ability to produce employment opportunities of lasting benefit to neighborhood residents. Following these discussions, the Steering Committee expressed its support for the City moving ahead with developing the plan.

The businesses of the neighborhood were also involved in the consultation process. The President of the Gainsboro Neighborhood Alliance (GNA) invited City staff to make a NRSA presentation at their monthly meeting on February 7<sup>th</sup>. The Gainsboro Neighborhood Alliance is made up of businesses, organizations, and residents whose focus is to promote housing



improvements in the neighborhood. GNA provides a monthly forum for discussion about community projects and awareness of community issues. Staff worked closely with the President of GNA to identify the local businesses within the neighborhood to attend the meeting. Letters of invitation were mailed to 30 businesses. During the meeting, staff discussed how a NRSA plan could help the neighborhood and provide benefits for new and existing businesses in the area. Participants were given the opportunity to provide suggestions on how to stimulate and promote economic growth in the Gainsboro neighborhood.

## D. Assessment

To formulate an assessment of the Gainsboro neighborhood, the City of Roanoke staff conducted an analysis of the community's strengths, weaknesses, opportunities, and threats (SWOT). This assessment examines the community's economic and housing conditions, and other related quality of life issues. The following chart summarizes the results of the SWOT analysis.

**Table 3**  
**SWOT Analysis Summary**

Assessment Category	Community Feature
Strength (S)	<ul style="list-style-type: none"> <li>-Public Transportation</li> <li>-Schools (Roanoke Catholic)</li> <li>-Public Facilities (YWCA, library)</li> <li>-Community-oriented religious institutions</li> <li>-Senior citizen housing</li> <li>-Land available for parks</li> <li>-Major hotel and conference center</li> <li>-Location relative to downtown.</li> <li>-Vacant land available.</li> <li>-Located in Enterprise Zone 1A and Technology Zone.</li> <li>-Infrastructure improvements.</li> <li>-Strong neighborhood group participation.</li> </ul>
Weakness (W)	<ul style="list-style-type: none"> <li>-Perception of crime and drug-related activities</li> <li>-Housing is old and in need of repair</li> <li>-Vacant commercial properties</li> <li>-Neighborhood lighting does not add to – safety issues.</li> <li>-Vacant buildings.</li> <li>-New facades needed on some buildings</li> <li>-Census shows median income and homeownership less than the city as a whole</li> </ul>
Opportunity (O)	<ul style="list-style-type: none"> <li>-“Officer Next Door” Program</li> <li>-Crime Prevention Through Environmental Design Program</li> <li>-Dumas Center for Artistic and Cultural Development &amp; Ebony Club</li> <li>-Commercial expansion on the northeast section of Gainsboro.</li> <li>-Historical designation (National Register, VA landmarks, or Main Street).</li> <li>-Roanoke Higher Education Center</li> </ul>
Threat (T)	<ul style="list-style-type: none"> <li>-Perception of crime conditions</li> <li>-Absentee property owners</li> <li>-Poor housing conditions</li> <li>-Vacant properties</li> <li>-Low homeownership</li> <li>-Deterioration of buildings.</li> <li>-Businesses may not move into the area until it is well established.</li> </ul>

### *Housing Conditions*

The 21st Century Challenge study, sponsored by the Roanoke Regional Housing Network, surveyed the exterior conditions of housing units in inner-city neighborhoods of Roanoke, including Gainsboro. The study found that there are considerable amounts of fair to poor housing conditions in the southwestern area of Gainsboro. In addition, an area survey conducted by City of Roanoke inspectors indicated a concentration of code violations in the southern part of the neighborhood. Like many older neighborhoods, Gainsboro has areas with blighted conditions. Areas with oldest housing stock tend to have more code and maintenance violations, such as outdoor storage, junk cars, and poor property conditions.

The issues associated with vacant lots and infill housing are complex and require a partnership between the public and private sectors to develop strategies for specific areas. In consideration of development pressures given Gainsboro's location near downtown, residents' concerns center on the continued viability of the residential portions of the neighborhood. Their goals focus on keeping homeowners in the neighborhood, having renters become homeowners, and promoting responsible property ownership. The outcome should be the elimination of destabilizing conditions created by irresponsible rental property owners. Strategies should strive to retain a range of housing options that will permit responsible residents to remain in the neighborhood.

### **E. Economic Empowerment**

The NRSA plan for the Gainsboro neighborhood is designed to promote the community's economic progress while building on the area's current and future revitalization efforts which are described in this section. In doing so, the plan will address the items identified in the SWOT analysis by focusing on activities such as housing rehabilitation, business development, infrastructure improvements, public safety and neighborhood organizational development.

### **HOUSING**

Through 2006 and into 2007, the City of Roanoke will be providing over \$2.3 million of its HUD funds for housing in the Gainsboro Neighborhood. Approximately \$1.2 million will be directed to homeownership assistance and over \$1 million to owner/tenant-occupied rehabilitation.

#### *Roanoke Redevelopment & Housing Authority*

The Roanoke Redevelopment & Housing Authority (RRHA) was created by the City in 1949 under the provisions of the United States Housing Act of 1937. RRHA has successfully carried out a wide variety of programs involving housing rehabilitation, new home construction and creation of homeownership opportunities. RRHA will be working to substantially rehabilitate 15 owner-occupied and tenant-occupied units in the Gainsboro Neighborhood. In addition, RRHA will be performing limited rehabilitation to 44 properties for the elderly or for emergency home repairs. The RRHA leverages approximately \$750,000 to \$1 million in private capital to use in combination with CDBG and HOME funds provided by the City. The private capital is used for first mortgages for substantial rehabilitation. The CDBG and HOME funds are generally

provided as deferred second mortgages, often at 0% interest, to make the housing assistance affordable for the owner. (A deferred second mortgage is one which is paid after the first mortgage has been paid off)

#### *Blue Ridge Housing Development Corporation*

Blue Ridge Housing Development Corporation (BRHDC) also works closely with the City of Roanoke in neighborhood revitalization. BRHDC purchases and rehabilitates vacant, boarded-up houses for resale. In addition, it provides homeownership counseling, homebuyer education classes, and down payment and closing cost assistance to communities. BRHDC plans to provide direct homeownership assistance to 15 homebuyers in the Gainsboro Neighborhood. BRHDC leverages its funds from private sources as well as federal funds. They are a recipient of below market-rate funds through the Virginia Housing Development Authority's Sponsoring Partnerships and Revitalizing Communities (SPARC) program in which they were awarded \$1,360,000. The Department of Housing and Community Development's (DHCD) Single-Family Regional Loan Fund is another source of funding from which BRHDC received \$1.7 million plus an additional \$142,000 in HOME funds.

Another separate component of BRHDC is the World Changers Program. This program consists of 450 teenagers and mentors from around the country that spend a week in the City of Roanoke to do limited repair work (i.e. roof repair/replacement, painting, porch repair/replacement, repair/installation of handicapped ramps, etc.) to homes in the targeted neighborhoods. In 2004, the students performed limited repair work to 40 homes including 10 in the Gainsboro Neighborhood. This year, approximately \$80,000 of CDBG funds has been set aside for this program for limited repair work to 30 homes, 10 of which are anticipated to be in Gainsboro.

### **PUBLIC AND PRIVATE INSTITUTIONS**

#### *Roanoke Higher Education Authority*

One of the most promising opportunities for economic growth in the Gainsboro Neighborhood is the expansion of the Roanoke Higher Education Center. Currently, the Center has utilized the full capacity of its existing building for the current programs of its 17 members, and has identified the need for additional space to accommodate new program initiatives. The immediate focus of Center expansion is a Culinary Arts Program to be offered collaboratively by Virginia Intermont College and Virginia Western Community College. The Center has developed a plan to expand its space by renovating two abandoned buildings of historical value in Gainsboro, the "corner shops" and the Ebony Club. The renovation and adaptive reuse of the buildings would add to the positive community impact already generated by the Roanoke Higher Education Center by expanding workforce training, educational opportunity, and community meeting and event space. The total cost of the project is estimated at \$2 million. The Roanoke Higher Education Center has secured \$1 million from private foundations and is currently seeking the balance from historic tax credit contributions and other sources.

### *The Dumas Center for Artistic and Cultural Development*

Total Action Against Poverty (TAP) is a community action organization that owns the Dumas Hotel building in Gainsboro. TAP has established the Dumas Center for Artistic and Cultural Development as a youth development and community arts center. The City of Roanoke has committed to providing TAP with \$500,000 in local funds over five years. The funds will be used to renovate and equip the center. The total project cost is approximately \$3.6 million.

### *Gainsboro Library Neighborhood Resource Center*

The Roanoke Public Libraries, in collaboration with the City's Department of Housing and Neighborhood Services are seeking to establish Neighborhood Resource Centers in two library locations within the city, including the Gainsboro Branch Library. The purpose of the Neighborhood Resource Center is to serve as a "one-stop" information resource for residents and community leaders to access community-related information and learn best practice techniques to help them enhance the capacity of their neighborhood organizations. A total of \$14,000 will be provided to both centers to cover text, audio, audio-visual materials and training/workshop expenses.

### *The Moses Building*

The Moses Building, formerly known as the "Old Moses Grocery Store," is one of the oldest buildings in Gainsboro. Built in the early 1900s, the building was in need of major renovations. Mexicorp, a private investment company and owner of the building, received a grant from the City in the amount of \$25,000 for façade improvements to the building. The total cost of the renovation was approximately \$150,000. With Mexicorp's corporate office located on the second floor, plans are underway to open a barber shop & salon on the first floor.

## **INFRASTRUCTURE**

### *The Lick Run Greenway*

Roanoke Vision 2001-2020 recommends that greenways be developed to link important destinations throughout the city. Greenways are corridors of protected space used for recreation, conservation, and transportation. The proposed Lick Run Greenway will connect Valley View Mall with the Hotel Roanoke & Conference Center and run along the eastern edge of Gainsboro. The greenway will create a well-defined eastern edge for the neighborhood and serve as a recreational and transportation amenity. Pedestrian traffic along the Lick Run Greenway could provide economic opportunities for adjoining historical and cultural destinations and other businesses in the area. The Hotel Roanoke will seek to initiate a bike rental program once the greenway is completed. Guests and tourists who stay at the Hotel Roanoke will be able to travel the greenway by bicycle. The cost to construct the entire greenway is approximately \$1.3 million. About \$128,000 of CDBG funds have been allocated to assist with the lighting and landscaping improvements on the Gainsboro Section of the greenway.

### *Curbs and Sidewalks*

Most areas in the Gainsboro neighborhood have sidewalks and curbs, but many are in disrepair due to their age. Some streets in the neighborhood lack sidewalks. The City will be providing \$175,000 in CDBG funds to install curbs, sidewalks and drainage improvements in needed areas of the neighborhood.

### *The TransDominion Express*

TransDominion Express is a proposal for a passenger rail service that would begin in Bristol with stops in and between Roanoke, Lynchburg, Richmond, and Washington D.C. This rail service could facilitate the establishment of Gainsboro as a major historic destination in Roanoke. The Department of Rail and Public Transportation (VDRPT) proposes to initiate the TransDominion Express (TDX) as a pilot project between Bristol and Washington, D.C. This matter is before Congress for final action at this time.

## **PUBLIC SAFETY**

The perception of crime is one of the most challenging issues facing the residents of Gainsboro. The Roanoke Police Department and the Blue Ridge Housing Development Corporation are working together to address actual and perceived crime that both contribute to destabilizing influences that negatively impact the investment climate and quality of life in Gainsboro.

### *Crime Prevention Through Environmental Design (CPTED) Program*

Crime Prevention Through Environmental Design (CPTED) is based on the theory that the environment can contribute to the reduction in the incidence and fear of crime and an improvement in the quality of life. Under this program, the likelihood of being targeted for a crime may be reduced. This is done through target hardening such as lighting, landscaping, windows, doors, locks, and closed circuit television (CCTV) system. It also incorporates the actual layout of the business in the blue print stage of development. This includes the actual building design, interior layout of the business, location of utilities, landscaping, parking, and signage for the business.

The CPTED program would be initiated by allowing the Police Crime Prevention Unit to conduct a complete review of the Gainsboro neighborhood. A report would be prepared recommending changes and addressing problems in the area. The program would assist the residents with improvements to their homes and thus create a positive perception of the neighborhood.

## **NEIGHBORHOOD ORGANIZATIONAL DEVELOPMENT**

Gainsboro has several community organizations that actively work with City of Roanoke departments, policy makers, businesses, and private institutions. Each organization focuses on a specific area of Gainsboro, but all are striving for the common goal of making the community a better place to live, work, and play.

### *Gainsboro Steering Committee*

In connection with the City's targeting of CDBG and HOME funds, the Gainsboro Steering Committee was formed in January 2004. The steering committee is a citizen-based group formed to oversee implementation of development activities in the neighborhood. The Gainsboro Steering Committee is a major key stakeholder in the revitalization of Gainsboro. As one of the most active neighborhood organizations in the Gainsboro Neighborhood, the steering committee is a strong advocate for the residents of the neighborhood in identifying and addressing the community's housing, economic, and human needs.

The responsibility of the Gainsboro Steering Committee is to guide the revitalization process of their neighborhood utilizing the Neighborhood Plan. The committee meets once a month at the Gainsboro Branch Library. During the meetings, the steering committee provides a forum for citizen participation in the revitalization activities of the neighborhood. The committee provides information on housing, zoning changes, infrastructure improvements, public safety and other opportunities that are created through projects. The committee also collaborates with other neighborhood-based organizations to ensure open communication and awareness of development projects.

### *Historic Gainsboro Preservation District*

Incorporated in 1992, The Historic Gainsboro Preservation District, Inc. (HGPD) was instrumental in securing local H-2 designation and obtaining state and national historic designations for the Gainsboro Library. Goals of the organization include preserving the neighborhood's historic character, improving existing streets and sidewalks and improving the environmental quality and appearance of Gainsboro. Its motto is "Bringing The Best of Yesterday Into Tomorrow" for Roanoke's oldest neighborhood.

### *Gainsborough Southwest Community Organization*

Gainsborough Southwest Community Organization (GSCO) evolved out of a series of meetings in the summer of 1998. The organization addressed concerns of vacant and abandoned properties, poor and deteriorating houses, and overgrown lots in the neighborhood. Their mission is to improve the overall quality of life in their neighborhood and to maintain the design and character of the neighborhood.

In efforts to enhance its neighborhood organizational capacity, GSCO received a grant in the amount of \$3,228 to pay for training and administrative costs associated with producing neighborhood organization newsletters, creating signs, announcing neighborhood organization meetings, and postage for ongoing neighborhood organization-related mailings. The total project cost was \$4,035. A 20% match was provided by GSCO in the form of sweat equity in the project.

## *Gainsboro Neighborhood Alliance*

Gainsboro Neighborhood Alliance (GNA) is an outgrowth of the former Gainsboro Neighborhood Development Corporation, which was established in the late 1970s. The Gainsboro Neighborhood Alliance is made up of businesses, organizations, and residents whose focus is to promote housing improvements in the neighborhood. GNA provides a monthly forum for discussion about community projects and awareness of community issues. Its mission is "to diligently work toward the beautification of Gainsboro while improving the community as a desirable place to live and work, with the assistance of city government personnel."

## **BUSINESS INCENTIVES**

The Gainsboro Neighborhood has a great advantage in promoting economic development because it is designated both as an Enterprise Zone and a Technology Zone. In these zones, state and local incentives are available. Below is a list of incentives available to residents and businesses in the Gainsboro Neighborhood.

### **Citywide Incentives**

#### **Residential/Commercial Real Estate Tax Abatement Program**

A real estate tax exemption may be available for residents and businesses citywide for a period of 5 years. Target incentives are available in H-1, H-2, Conservation, and Rehabilitation Districts for increasing, through substantial rehabilitation or renovation, the assessed value of an existing residential, commercial, commercial mixed use or industrial buildings. This exemption lasts for a period of 10 years. In order to qualify for the exemption, a structure must be at least 25 years old and rehabilitated or renovated so as to increase the assessed value of the structure by at least 60%, no less than 40% for residential structures. The rehabilitation or renovation must be completed within (2) two years after the date of the filing of the application for exemption.

### **Enterprise Zone 1A Incentives**

#### **Façade Grant**

The Façade Grant program was established to visually improve the appearance of buildings within Enterprise Zone One A. The grant is equal to 33% of the cost of façade renovations, capped at \$25,000. Applications must be submitted before work begins on the renovation and all applications must be approved by the Industrial Development Authority.

#### **Partial Real Estate Tax Exemption of Rehabilitated Buildings**

A real estate tax exemption may be available for businesses within the Enterprise Zone One A for increasing, through substantial rehabilitation or renovation, the assessed value of an existing commercial, commercial mixed use (no more than 80% residential) or industrial building. In order to qualify for the exemption, a structure must be at least 15 years old, located within Enterprise Zone One A and rehabilitated or renovated so as to increase the assessed value of the

structure by at least \$50,000 or more. The rehabilitation or renovation must be completed within (1) one year after the date of the filing of the application for exemption.

#### Development Fee Rebates

Refund of development fees (building permit and comprehensive development plan review) may be available for business firms or building owners located in Enterprise Zone One A. The City offers rebates up to 100% depending on the amount invested by a business.

#### Water, Fire, and Sewer Hookup Fees Rebates

Refund of Water, Fire, and Sewer hookup fees may be available for business firms or building owners located in Enterprise Zone One A. The City of Roanoke offers rebates up to 100% based on the amount invested by a business.

#### Fire Suppression Retro-Fit Grant and Fire Hookup Rebate

For rehabilitated commercial and industrial buildings, or mixed-use buildings having no less than 20% devoted to commercial uses, not needing a fire suppression system, a full rebate of fire hookup fees is available from the City of Roanoke. A grant from the IDA is also available every year for five years that covers a percentage of monthly fire charges.

#### Neighborhood and Parks Grant

Grants are available for neighborhood organizations to improve gateway features, signage, or undergo beautification measures. Only neighborhoods in the Enterprise Zone One A or a census tract contiguous to the zone are eligible for these \$500 grants.

#### Business Security Grant

For any business located in Enterprise Zone One A undergoing the Police Department's Star City Business Watch program, security grants of up to \$500 to enact the security measures are recommended by the Roanoke Police Department.

#### Job Training Grants

Businesses that have qualified for job training assistance from the Virginia Department of Business Assistance (DBA) may be eligible for job training grants from the City of Roanoke. The grant from the City is either up to the State's grant or the training need, whichever is less.



## **State Enterprise Zone Incentives**

### **Job Grants**

Qualifying businesses located within the Enterprise Zone must increase their employment by at least four (4) full-time positions prior to receiving any job grants. Thereafter, each additional job created qualifies for a \$500 grant.

### **Real Property Improvement Grants**

Businesses located within the Enterprise Zone may be eligible for a grant equal to 30% of qualified zone improvements. Rehabilitation projects must have a minimum investment of at least \$50,000 with mixed-use projects dedicating at least 30% of the floor area to business use.

### **Technology Zone Program**

Businesses qualifying as a “technology business” and locating within a certain geographic region are eligible for Technology Zone incentives. To qualify, a business must be engaged in research, design, development or manufacture of commodities, services or solutions used in factory automation, biotechnology, chemicals, computer hardware, computer software, computer systems, defense, energy, environmental, manufacturing equipment, advanced materials, medical, pharmaceuticals, photonics, subassemblies and components, test and measurement, telecommunications and transportation. In no case will a business just using computers or telecommunications in its administrative operations qualify.

An existing technology zone business must increase its average number of full-time jobs by at least 10% and make a new capital investment, resulting in an increase of at least 20% in assessed value of the firm’s real estate and/or in the cost of the business’ personal property. A new technology zone business must create a minimum of three (3) full-time jobs and make a new capital investment in business personal property or real estate of at least \$30,000.

### **Telecommunications Connection Fee Grant**

This grant which is awarded through the Industrial Development Authority will pay for 50% of the actual cost of extending telecommunication services to a business location. The maximum amount of the grant is \$1,000 per business.

### **Capital Investment Grant**

This grant which is awarded through the Industrial Development Authority will pay for 50% of the net increase in business personal property and real estate taxes paid by the firm in the first year following the capital investment.

## **Rehabilitation Tax Credits Available**

### Federal Rehabilitation Tax Credits

This program provides tax credits for qualifying historic properties used for income-producing purposes. A tax credit of 20% of the rehabilitation costs can be taken for historic properties on the National Register or contributing to a National Register Historic District. In addition, a Federal Rehabilitation Tax Credit of 10% is available for non-historic buildings built before 1936 that are not on the National Register or contribute to a historic district.

### State Rehabilitation Tax Credits

This program provides tax credit of up to 25% for qualifying historic properties on the Virginia Landmarks Register, or properties certified by the Virginia Department of Historic Resources as contributing to an historic district or meeting the criteria for listing on the Register.

## **Marketing Strategy**

The City of Roanoke Department of Economic Development markets the incentives available to businesses through various outlets. Business visits (BIZVIZ) are often conducted to obtain information on business needs and information is provided to them addressing their needs. A BIZBREAK is a breakfast meeting in which businesses are able to interact with a member of City Council, the City Manager, a department head, and the Director of Economic Development. The Economic Development website and Business Development Guide are very good sources of information concerning available incentives, financing sources, training assistance, and other desirable information. Furthermore, a business questionnaire is provided with all business applications which allows Economic Development to receive more information about needs of the company. The Department of Real Estate Valuation and Department of Planning and Development may also provide information to businesses when services are rendered.

The strategy for marketing these incentives specifically to Gainsboro would be to identify all of the businesses located in the area. First, the Department of Economic Development staff will contact the businesses directly by mailing an invitation to a meeting to discuss the incentives. Included in the mailing will be the Business Development Guide and a list of incentives available. After the meeting, staff will then follow up by contacting the businesses and conducting Business Visits (BIZVIZ) to each business in Gainsboro and working with the businesses on their growth and expansion plans.

## **F. Performance Measurements**

This section establishes benchmarks for the activities presented in this plan. Whenever possible, the benchmarks will reflect time-sensitive, feasible performance measurements provided the availability of funds.

## **Residential Development**

- 1) Complete a comprehensive rezoning to encourage desired development patterns in accordance with the Future Land Use map by December 2005.
- 2) Implement a Neighborhood Design District and/or H-2, Neighborhood Preservation District zoning overlays throughout the residential portions of the neighborhood by December 2005.
- 3) Survey and nominate properties in Gainsboro for listing on the National Register and Virginia Register by December 2005.
- 4) Perform substantial rehabilitation on approximately 15 existing owner-occupied and tenant-occupied units in the neighborhood by June 2007.
- 5) Perform limited rehabilitation, including emergency home repairs, on approximately 40 units in the neighborhood by June 2007.
- 6) Construct or rehabilitate approximately 12 houses and sell to eligible, qualified homebuyers by June 2007.

## **Economic Development**

- 1) By December 2006, implement zoning changes that will support the uses and building scales indicated in the Henry Street development concept approved by City Council.
- 2) Provide special outreach efforts to approximately 10 or more businesses in Gainsboro to increase awareness of available Enterprise Zone and Technology Zone incentives such as job grants, façade improvement grants, and rehabilitation grants by December 2006.
- 3) Provide financial assistance in the amount of \$500,000 over 5 years to assist the renovation of the TAP Dumas Center and thereby the revitalization of Henry Street by December 2007.

## **Infrastructure**

- 1) Complete infrastructure improvements to the Gainsboro portion of the Lick Run Greenway, such as lighting and landscaping, by December 2006.
- 2) Provide financial assistance in the amount of \$175,000 to assist with infrastructure activities such as the installation of curbs, sidewalks, and drainage improvements in needed areas of the Gainsboro neighborhood, by December 2007.
- 3) By December 2007, in coordination with one or more neighborhood organizations, undertake tree-planting projects that will result in the planting of approximately 50 trees in the Gainsboro neighborhood.

**Public Safety**

- 1) Establish at least one Neighborhood Watch program in the Gainsboro neighborhood by December 2006.
- 2) Complete crime watch training with at least one community organization in the neighborhood by December 2006.
- 3) Beginning July 2005, conduct a concentrated code enforcement sweep to identify and cite visible code violations and resolve issues by June 2006.
- 4) Complete a Crime Prevention Through Environmental Design (CPTED) neighborhood-wide assessment by June 2006.
- 5) Complete a CPTED review of at least five sites in coordination with new construction and rehabilitation activities by December 2007.

## IV. Conditions for Success

The activities associated with this NRSA plan reflect and are meant to be consistent with the goals and needs expressed by the Gainsboro community during the extensive planning process that culminated in March 2003 with the adoption of the Gainsboro Neighborhood Plan. That plan called for strategic initiatives in housing development, Henry Street revitalization, conservation, capacity building and infrastructure. The NRSA plan does not purport to fulfill all of the many recommendations of the neighborhood plan. However, it does evidence to the community, and especially and hopefully to HUD, that a critical mass of effort is being marshaled that merits granting the regulatory flexibility available to the CDBG-assisted activities.

Achieving the performance benchmarks set forth herein requires the participation, cooperation and investment of many stakeholders. Given that CDBG funds are a significant source of investment, a NRSA plan is a logical step for the Gainsboro revitalization activities. The plan provides a framework for progress, self-evaluation and accountability.

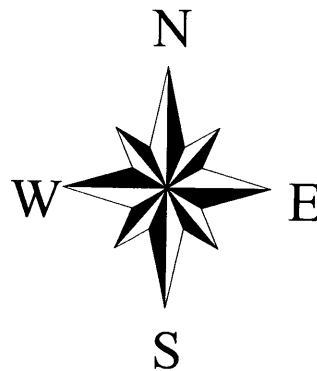
As noted in the Gainsboro Neighborhood Plan:

*The mission for Gainsboro is to enhance the quality of life for families by improving access to economic opportunity and services that respond to the community's needs. Its vision is to work together as a community to ensure that Gainsboro will continue to reflect its history, traditions, positive values, and family-oriented lifestyle.*

## **Attachment A**

Map of the Proposed Gainsboro NRSA

# Gainsboro Streets



IN THE COUNCIL OF THE CITY OF ROANOKE, VIRGINIA,

A RESOLUTION approving the 2005 – 2010 Consolidated Plan and authorizing the City Manager, or the City Manager's designee, to submit the approved Consolidated Plan to the United States Department of Housing and Urban Development (HUD) for final review and approval, and authorizing the execution of all necessary documents pertaining to such Consolidated Plan.

WHEREAS, in order to receive Community Development Block Grant ("CDBG"), HOME Investment Partnership ("HOME"), and Emergency Shelter Grant funding, HUD requires that entitlement localities such as the City of Roanoke submit a 5-year Consolidated Plan and Annual Updates;

WHEREAS, the current 5-Year Consolidated Plan for the City of Roanoke will expire on June 30, 2005;

WHEREAS, opportunities for community input regarding the Consolidated Plan were provided at public meetings held September 23, and November 4, 2004, and March 31, and April 28, 2005; by a 30-day public review and comment period beginning April 4, and ending May 3, 2005; by dissemination of information to members of the Roanoke Neighborhood Advocates; and by publishing information on the City of Roanoke website; and

WHEREAS, the Consolidated Plan must be approved by this Council and received by HUD by May 16, 2005, to ensure timely receipt of new entitlement funds.

THEREFORE, BE IT RESOLVED by the Council of the City of Roanoke that the 2005 – 2010 Consolidated Plan is hereby approved; and



BE IT FURTHER RESOLVED that the City Manager, or the City Manager's designee, is hereby authorized, for and on behalf of the City, to submit the approved 5-Year Consolidated Plan to HUD for final review and approval, and to execute all necessary documents pertaining to such Consolidated Plan, such documents to be approved as to form by the City Attorney, as more particularly set forth in the City Manager's letter dated May 10, 2005, to this Council.

ATTEST:

City Clerk.



# **CITY OF ROANOKE**

## **DEPARTMENT OF FINANCE**

215 Church Avenue, S.W., Room 461

P.O. Box 1220

Roanoke, Virginia 24006-1220

Telephone: (540) 853-2821

Fax: (540) 853-6142

**JESSE A. HALL**

**Director of Finance**

email: jesse\_hall@ci.roanoke.va.us

**ANN H. SHAWVER**

**Deputy Director**

email: ann\_shawver@ci.roanoke.va.us

May 10, 2005

Honorable C. Nelson Harris, Mayor  
 Honorable Beverly T. Fitzpatrick, Jr., Vice-Mayor  
 Honorable M. Rupert Cutler, Council Member  
 Honorable Alfred T. Dowe, Jr., Council Member  
 Honorable Sherman P. Lea, Council Member  
 Honorable Brenda L. McDaniel, Council Member  
 Honorable Brian J. Wishneff, Council Member

Dear Mayor Harris and Members of City Council:

Subject: Budget Stabilization Reserve Policy

A Budget Stabilization Reserve Policy is a component of sound financial management of a local government. The development of financial management policies is recognized by municipal bond rating agencies and is a recommended best practice by the Government Finance Officers Association (GFOA). The importance of a budget stabilization policy is to define a level of reserves desired by an organization in assuring liquidity to address unforeseen financial needs.

While the City has several fund balance policies in place, including a reserve for self-insured liabilities, the Capital Maintenance and Equipment Replacement Program (CMERP), and the reserve for debt service, we do not currently have a General Fund budget stabilization policy. Although the City maintains a reasonable reserve in the Debt Service Fund, there is not an adopted policy identifying it as a budget stabilization or rainy day fund. This was noted by all three bond rating agencies in our most recent credit review, with emphasis on the need for a reserve as our bond indebtedness is anticipated to increase over the next few years.

The attached policy was developed in coordination with our financial advisor and reviewed by analysts at the municipal bond rating agencies. This recommended policy was also reviewed with City Council at the February 18

Annual Financial Planning Session. Key elements of the policy include the following:

- Reserve floor – The reserve will be maintained at a level to provide working capital and a margin of financial flexibility. The reserve will be a designated portion of the General Fund balance. It will be maintained at a minimum of 5% with a target of 8% of the adopted General Fund expenditure budget for the current year.
- Reserve drawdown – Use of the reserve will occur only upon authorization by City Council to address unforeseen emergencies or due to significant declines in revenues that cannot be covered by other sources.
- Reserve growth – The reserve will be maintained within the target range by retaining interest earnings and by designating a portion of the undesignated fund balance to the reserve when necessary.
- Reserve replenishment – if the reserve is used, it will be restored to the 5% minimum level within three fiscal years, after which time it will continue to be increased toward the 8% goal.

The primary fund balance policy currently in existence for the General Fund is our Capital Maintenance and Equipment Replacement Program (CMERP). The CMERP ordinance was originally adopted to address a lack of adequate funding in the adopted budget for capital equipment and maintenance needs. The CMERP ordinance reserved essentially the entire General Fund balance for capital needs. During recent years, funding included in the adopted budget has systematically been increased to address capital needs, working toward the goal of including adequate capital funding in the adopted budget. In conjunction with the adoption of the Budget Stabilization Reserve policy, the CMERP ordinance will be repealed, as adoption of the new policy would conflict with the CMERP ordinance. Furthermore, as funding is included in the adopted budget to address capital equipment and maintenance, the intent of the CMERP ordinance is no longer needed. As we adopt the Budget Stabilization Reserve and repeal the CMERP ordinance, the amount that previously would have been designated as CMERP will be considered undesignated fund balance. The undesignated fund balance will be available for one-time funding needs and may be appropriated for use in the subsequent year by City Council.

The City's budget stabilization reserve will be established in the General Fund by a transfer of \$15.5 million from the Debt Service Fund. In conjunction with this transfer, the Debt Policy will be amended to reflect the impact of the new policy. While the residual Debt Service fund balance will continue to be

Honorable Mayor and Members of Council  
May 10, 2005  
Page 3

reserved for future debt service and bond issuance costs, we will no longer include the goal of maintaining this balance at a level equal to one year of debt service expenditure.

We believe this policy will be beneficial in to the City's continued commitment to long-term financial planning. This reserve policy will be used in conjunction with Roanoke's other financial policies to help assure financial stability and protection of Roanoke's "double-A" bond rating credit quality.

Recommendations:

- City Council adopt the accompanying resolutions establishing the Budget Stabilization Reserve Policy and amending the Debt Policy.
- City Council adopt the accompanying ordinance to repeal the Capital Maintenance and Equipment Replacement (CMERP) Ordinance.
- City Council adopt the accompanying budget ordinance transferring funding of \$15.5 million from the Debt Service Fund to the General Fund.

Respectfully submitted,



Jesse A. Hall  
Director of Finance

Attachments

c: Darlene L. Burcham, City Manager  
Mary F. Parker, City Clerk  
William M. Hackworth, City Attorney  
Sherman M. Stovall, Director of Management and Budget

**City of Roanoke, Virginia**  
**Debt Policy**  
**as Amended May 10, 2005**

**Introduction**

One of the keys to sound financial management is the development of a debt policy. This need is recognized by bond rating agencies, and development of a debt policy is a recommended practice by the Government Finance Officers Association. A debt policy establishes the parameters for issuing debt and managing the debt portfolio. It provides guidance to the administration regarding purposes for which debt may be issued, types and amounts of permissible debt and method of sale that may be used. The following debt policy is intended to demonstrate a commitment to long-term financial planning. It will be used in conjunction with the Capital Improvement Programs for both the City and School Board. Adherence to this policy will help assure protection of the City's double-A bond rating credit quality.

**Guidelines for Debt Issuance**

- The City will prepare and update annually a five-year Capital Improvement Program (CIP) to be approved by City Council. The CIP will be developed with an analysis of the City's infrastructure and other capital needs, and the financial impact of the debt service required to meet the recommended financing plan.
- As part of the annual Capital Improvement Program, the Schools shall furnish the City a schedule of funding needs for any school projects for which the issuance of long-term debt is planned.
- Each project proposed for financing through debt issuance will have an analysis performed for review of tax impact and future operating costs associated with the project and related debt issuance costs.
- The City's preferred method of sale of bonds is via competitive sale to underwriters. If deemed most advantageous, the City may sell bonds via a negotiated sale, private placement, or other method. Coordination will be made with the City's financial advisor in arriving at a recommendation to issue bonds through other than competitive sale.
- All proceeds from debt issuance for the City of Roanoke and the City of Roanoke School Board shall be appropriated by City Council.

- All proceeds from the issuance of debt shall be invested through consultation of the Director of Finance with the City Treasurer. Such proceeds shall only be invested in investments permitted by Federal, State and Local law as it relates to public funds with the following objectives:
  1. Safety – Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the portfolio. Specifically, the City will:
    - a. seek to avoid any loss on the sale or disposal of an investment; and
    - b. seek to mitigate the risk of unrealized losses due to a decline in value of investments.
  2. Liquidity – The investment portfolio shall remain sufficiently liquid to meet all cash requirements that may be reasonably anticipated. This shall be accomplished by structuring the portfolio in the following manner:
    - a. Investments will be scheduled to mature in accordance with anticipated cash needs, in order to minimize the need to sell investments prior to maturity;
    - b. A portion of funds will be maintained in cash equivalents which may be easily liquidated without a loss of principal should an unexpected need for cash arise.
  3. Yield – The investment portfolio shall be designed with the objective of maximizing a fair rate of return consistent with the investment risk constraints and cash flow characteristics of the portfolio. Consideration shall be made with regard to the arbitrage yield and the City's goal of maximizing allowable investment earnings.
- Proceeds from the issuance of debt shall be monitored by the investment custodian with regard to arbitrage. Compliance with all applicable federal tax requirements shall be made. The City will coordinate with its investment managers with regard to expected project funds payout so as to maximize investment earnings in light of federal arbitrage requirements.
- Long-term debt will be issued to purchase or construct capital improvements or equipment with a minimum expected life of five years. The City will not use long-term borrowing to finance annual operating needs. The term of any bond issue will not exceed the useful life of the capital project/facility or equipment for which the borrowing is intended.
- The City will attempt to avoid short-term debt to provide cash flow for annual operations. Debt issued for operating purposes will be limited to cases where there is reasonable certainty that a known source of revenue will be received in the current fiscal year sufficient to repay the debt or where there is a clear financial emergency.

- The City will comply with all applicable U.S. Internal Revenue Service and U.S. Treasury arbitrage requirements for bonded indebtedness in order to preserve the tax-exempt status of such bonds.
- Bond issues should be planned to minimize the frequency of issuance, thereby ensuring the lowest possible costs of issuance. When determining the size of a bond issue, consideration should be given to the need for construction, debt service and capitalized interest funds. Construction fund draw schedules shall be prepared, and projection of conservative earnings on unspent bond funds should be made in conjunction with planning of the City's Capital Improvement Program.

The decision to use bond proceeds to pay interest during construction for revenue-producing projects shall be made on a case by case basis and shall be based on an evaluation of the opportunity cost of funds and the availability of other sources of funds to pay interest costs.

- General obligation bonds will be amortized on a level principal basis to the extent practical, and revenue bonds will be amortized on a level debt service basis to the extent practical considering the forecasted available pledged revenues. Principal payments on all indebtedness should begin within eighteen months of the issuance unless forecasted pledged revenues necessitate additional delay.
- The City shall not endorse the obligations of any entity other than the City of Roanoke or Roanoke School Board. However, the City may enter into contracts with other regional or local public entities with respect to public purpose projects, which provide for certain payments when project or entity revenues prove insufficient to cover debt service on obligations issued to finance such project(s). The City will enter into these type agreements only when there is a long-term public and financial interest in the regional or local project. These obligations could be structured as Moral Obligation Bonds, or with an underlying support agreement or other contractual arrangement. These obligations do not affect the legal debt limit of the City and any payments are subject to annual appropriation. However, if such payments were made, the obligations would be considered tax-supported debt.

## **Limitations on Level of Debt to be Issued and Outstanding**

### **Constitutional and Statutory Limitations:**

- Article VII, Section 10 of the Constitution of Virginia, the Public Finance Act and the City Charter establishes the City's Legal Debt Margin at 10% of the assessed value of real estate within the City shown by the last preceding assessment for taxes.

- The Public Finance Act and the City Charter also establish other limits as to the amounts and types of debt the City may issue.

### **Self-Imposed Debt Targets:**

- Net tax-supported debt as a percentage of the assessed value of real estate in the City will not exceed 5%.
- Tax-supported general obligation debt service shall not exceed 10% of General Fund expenditures.
- Tax-supported debt will be structured in a manner such that not less than 50% of the aggregate outstanding tax-supported debt will be retired within ten years.

### **Types of Debt Issuance**

- The City may issue general obligation debt for capital or other properly approved projects.
- The School Board may use the Virginia Public School Authority (VPSA), Qualified Zone Academy Bonds (QZAB), or State Literary Fund loans to finance school capital projects. Such debt issued on behalf of the School Board constitutes general obligation debt of the City. The City Manager and the Director of Finance shall approve any application to the Commonwealth of Virginia for such debt. City Council shall approve the issuance of the bonds as required by the Public Finance Act. The School Board shall approve such financings before requesting City Council approval.
- The City may issue revenue bonds to fund proprietary activities such as water and water pollution control utilities, or for other capital projects that generate adequate revenues from user fees to support operations and debt service. The bonds will include written legal covenants which require that revenue sources are adequate to fund annual operating expenses and annual debt service requirements.
- Capital leases may be used to purchase buildings, equipment, furniture and fixtures. The term of any capital lease shall not exceed the useful life of the asset leased. Revenue bonds may be issued by the City or other entity that are secured by a City capital lease(s).

The City may issue bond anticipation notes (BANS) in expectation of general obligation bonds or revenue bonds when cash flow is required in order for the capital project to be initiated or continued,



or when market conditions do not appear favorable on a given date. BANS will not be issued to mature more than two years from their date of issuance.

### **Advance Refunding of Debt**

- The City shall issue refunding bonds to realize net present value savings, eliminate onerous covenants or provisions in outstanding bond documents, or in the event of financial emergencies or hardships.
- Interest rates on outstanding debt shall be continuously monitored in relation to current market conditions to determine if an advance refunding of an outstanding bond issue will achieve interest cost savings to justify the refunding.
- When contemplating an advance refunding, the City's goal will be to obtain net present value savings, net of issuance costs, of at least three percent of the principal amount of the refunded bonds. When circumstances justify lesser savings, it is understood that this goal may not be achieved.
- Unless the purpose of the refunding is to restructure debt service, refunding bonds shall be structured such that savings are realized to the extent possible throughout the remaining life of the bonds rather than in the early years of the bonds.
- The City shall consult with its financial advisor prior to issuing any indebtedness to refund any outstanding bonds.

### **Investor Relations, Disclosure and Communication**

- The debt ratios outlined above will be computed annually and reported in the Comprehensive Annual Financial Report, along with a computation of net tax-supported debt per capita.
- The City will maintain communication with bond rating agencies to keep them abreast of its financial condition by providing them the City's Comprehensive Annual Financial Report, Annual Budget, and Capital Improvement Program.
- The City will comply with all of its undertakings in accordance with Securities and Exchange Commission Rule 15c2-12 and the City will follow the Government Finance Officers Association and Securities and Exchange Commission requirements for continuing disclosure.

## **Debt Service Fund Balance**

- The fund balance of the Debt Service Fund shall be reserved for the future payment of annual principal and interest payments, which includes general obligation bonds of the City, including school debt.

## **Definitions**

- Advance refunding - A refinancing transaction in which new (refunding) bonds are issued to repay (refund) outstanding bonds prior to the first call date. The proceeds of the refunding bonds are deposited in an escrow account, invested in government securities, and used to pay debt service (interest, principal and premium, if any) on the refunded bonds through the applicable call date. For accounting purposes, refunded obligations are not considered a part of an issuer's debt.
- Appropriation-supported debt - Obligations that are not considered general obligations of the City for which the debt service is subject to annual appropriation (e.g. capital leases, etc.).
- Bond anticipation notes or BANS - Notes issued by the City for capital projects, which are paid from the issuance of long-term bonds.
- General obligation bond - Bonds issued pursuant to Article VII, Section 10 of the Constitution of Virginia and the Public Finance Act secured by the full faith, credit and taxing power of the City.
- Capital lease - A lease obligation that has met the criteria to be categorized as a capital lease as opposed to an operating lease under generally accepted accounting principles. Capital leases are common in certain types of financing transactions involving the use of revenue bonds as opposed to general obligation bonds.
- Capitalized interest - A portion of the proceeds of a bond issue which is set aside to pay interest on the bonds for a specific period of time. Interest is typically capitalized for bonds issued to finance a revenue-producing project to pay debt service until the project is completed and begins generating revenues.
- Debt - Any obligations of the City for the payment of money issued pursuant to the Public Finance Act of Virginia.
- Debt service reserve fund - A fund established at issuance into which monies are deposited

which may be used to pay debt service if pledged revenues are insufficient to satisfy the debt service requirements. The debt service reserve fund is typically funded at closing with bond proceeds but may be funded over time depending on the structure. Such a fund is an integral component of a moral obligation bond issue.

- **Defeasance** - Termination of the rights and interests of the bondholders and their lien on the pledged revenues in accordance with the terms of the bond contract for a bond issue. Defeasance usually occurs in connection with the refunding of outstanding bonds after provision has been made for future payment through funds provided by the issuance of the new refunding bonds.
- **Double-barreled bond** - A bond secured by both a defined source of revenue (other than property taxes) plus the full faith and credit of the City.
- **Legal debt margin** - The amount of general obligation bonds and certain other interest bearing obligations (other than revenue bonds) that the City may have outstanding expressed as a percentage of the assessed value of real estate in the City as shown on the last preceding assessment for taxes.
- **Moral obligation bond** - A bond which is secured by the revenues from the financed project and, additionally, by a non-bonding agreement that any deficiency in pledged revenues will be reported to the issuer's legislative body (City Council) which may appropriate moneys to make up the shortfall. Typically the mechanics involve a debt service reserve fund which is drawn upon to make up for any deficiency in pledged revenues. The legislative body is then requested to replenish the reserve fund but is not obligated to do so. These bonds are considered tax-supported debt and impact debt capacity to the extent that pledged revenues are ever insufficient to support debt service.
- **Refunding** - A transaction in which the City refinances an outstanding issue by issuing new (refunding) bonds and using the proceeds to immediately retire the old (refunded) bonds.
- **Revenue bond** - A bond that is payable from a specific source of revenue and to which the full faith and credit of the City's taxing power is not pledged. Revenue bonds are payable from identified sources of revenue, including general fund revenues on occasion, for certain types of appropriation-supported bonds.
- **Tax-supported debt** - Debt that is expected to be repaid from the general fund tax revenues of the City. This includes general obligation bonds, appropriation-supported bonds, capital leases and in certain circumstances moral obligation bonds. For the purpose of this Debt Policy, net tax-supported debt includes general obligation debt for the City and School

Board, certain bonded capital leases, and any moral obligation bonds for which the City has deposited funds to a debt service reserve fund as requested to replenish such reserve fund. Net tax-supported debt does not include debt payable by the City's proprietary funds, including self-supporting double-barreled general obligation bonds, and the amount available in the City's debt service fund.

- True interest cost - This is a method of computing the City's cost of borrowing through the bond market. It is defined as the rate, compounded semi-annually, necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the new issue.

1

4

## City of Roanoke, Virginia Budget Stabilization Reserve Policy

One of the keys to sound financial management is the development of sound financial management policies. The need is recognized by bond rating agencies and is a recommended best practice by the Government Finance Officers Association. Financial management policies create a framework within which financial decisions can be made. Policies serve as a statement of guidelines and goals that influence and guide the financial management decisions of Roanoke. The following **Budget Stabilization Reserve Policy** is intended to demonstrate a commitment to long term financial planning. Reserve policies continue to receive greater emphasis from bond credit rating agencies as financial stress increases for local governments. This reserve policy will be used in conjunction with Roanoke's other financial policies to help assure financial stability and protection of Roanoke's "double-A" bond rating credit quality.

Roanoke will maintain a Budget Stabilization Reserve (commonly referred to as a rainy day fund) according to the following guidelines:

- **Reserve Floor**--Roanoke will maintain a Budget Stabilization Reserve at a level to provide the City with sufficient working capital and a margin of financial safety to address expenditure emergencies or significant unforeseen declines in revenues in a specific fiscal year in order that essential services to citizens can be provided. Since most government tax supported services are provided within Roanoke's General Fund, the Reserve will be a **designated** portion of General fund balance. This will not preclude the use of undesignated fund balance to supplement the Reserve if needed. This Reserve policy will also not restrict the use of undesignated fund balance for other purposes. The Reserve will be maintained at a minimum of **5%**, with a target of **8%** of the adopted expenditure budget for the current year. Since the Reserve minimum is established at **5%**, should it fall below this level, it will trigger the replenishment process described below.
- **Reserve Drawdown**--Drawdown of the Reserve shall occur only by authorization of City Council. Funds may only be used for unforeseen emergencies or significant declines in revenues during the fiscal year that otherwise can't be covered from contingencies or other sources. The Reserve may not be used for balancing the annual budget due to recurring declines in revenue sources or recurring expenditure increases.
- **Reserve Growth and Replenishment**--The Reserve will be maintained within its target range relative to budget by allocating interest earnings from investment of the Reserve funds, and if necessary, designation to the Reserve of a portion of the undesignated fund balance. In the event the Reserve is used to provide temporary funding for unforeseen emergencies

or significant declines in revenues during the fiscal year, it will be restored to its minimum of 5% within three fiscal years by designating an adequate amount of undesignated fund balance to the Reserve. After replenishing the Reserve to the minimum, continuing emphasis will be given to increase the Reserve to its goal of 8% of the General Fund budget.

IN THE COUNCIL OF THE CITY OF ROANOKE, VIRGINIA,

AN ORDINANCE amending Chapter 2, Administration, Article VIII, Finance Generally, of the Code of the City of Roanoke (19790), as amended, by repealing §2-189, Reserve for capital improvements and capital maintenance and equipment; and dispensing with the second reading by title paragraph of this ordinance.

BE IT ORDAINED by the Council of the City of Roanoke as follows:

1. Chapter 2, Administration, Article VIII, Finance Generally, of the Code of the City of Roanoke (1979), as amended, is hereby amended by the repeal of §2-189, Reserve for capital improvements and capital maintenance and equipment.

~~§2-189. Reserve for capital improvements and capital maintenance and equipment replacement.~~

~~At the close of each fiscal year, a sum equal to ten (10) percent of total general fund appropriations for such fiscal year minus any sums paid for general fund debt service during such fiscal year, to the extent available from any undesignated fund balance at the end of such fiscal year, shall be reserved for capital improvements and capital maintenance and equipment replacement. Under no circumstances shall such reserve create a deficit in the general fund. Funds reserved for capital improvements and capital maintenance and equipment replacement shall be expended only pursuant to ordinance adopted by council.~~

2. Pursuant to §12 of the Roanoke City Charter, the second reading by title paragraph of this ordinance is hereby dispensed with.

ATTEST:

City Clerk.

IN THE COUNCIL OF THE CITY OF ROANOKE, VIRGINIA,

A RESOLUTION approving and adopting a policy entitled "City of Roanoke Virginia Budget Stabilization Reserve Policy" for the City.

WHEREAS, the Government Finance Officers Association (GFOA) and other organizations recommend that local governments develop and adopt financial management policies as part of their financial management systems, and in the interest of continuing and promoting sound financial decisions, this Council is desirous of adopting such policy;

WHEREAS, the Director of Finance has developed a proposed Budget Stabilization Reserve Policy for the City and transmitted it to the Council for its consideration by a report dated May 10, 2005; and

WHEREAS, the Council believes that the proposed Budget Stabilization Reserve Policy will establish suitable parameters for the making of sound financial decisions for this City.

THEREFORE, BE IT RESOLVED by the Council of the City of Roanoke that the policy entitled "City of Roanoke Virginia Budget Stabilization Reserve Policy" which has been transmitted to Council by a report of the Director of Finance dated May 10, 2005, be and it is hereby approved and adopted as the Budget Stabilization Reserve Policy for the City of Roanoke.

ATTEST:

City Clerk.



WMA  
IN THE COUNCIL OF THE CITY OF ROANOKE, VIRGINIA,

A RESOLUTION approving and adopting a Debt Policy for the City of Roanoke.

WHEREAS, the Government Finance Officers Association and other organizations recommend that local governments develop and adopt debt policies as part of their financial management systems and this Council last did so on April 7, 2003, by the adoption of Resolution No. 36280-040703;

WHEREAS, the Director of Finance has developed a proposed Debt Policy for the City and transmitted it to the Council for its consideration by a report dated May 10, 2005; and

WHEREAS, the Council believes that the proposed Debt Policy will establish suitable parameters for the issuance of debt by the City and for the management of the City's debt portfolio.

THEREFORE, BE IT RESOLVED by the Council of the City of Roanoke that the Debt Policy which has been transmitted to Council by a report of the Director of Finance dated May 10, 2005, be and it is hereby approved and adopted as the Debt Policy of the City of Roanoke.

ATTEST:

City Clerk.

AHS

## IN THE COUNCIL OF THE CITY OF ROANOKE, VIRGINIA

AN ORDINANCE to transfer funding establishing the Budget Stabilization Reserve, amending and reordaining certain sections of the 2004-2005 General and Debt Service Funds Appropriations, and dispensing with the second reading by title of this ordinance.

BE IT ORDAINED by the Council of the City of Roanoke that the following sections of the 2004-2005 General and Debt Service Funds Appropriations be, and the same are hereby, amended and reordained to read and provide as follows:

**General Fund**

## Revenue

Transfer from Debt Service Fund	001-110-1234-1551	\$ 15,500,000
---------------------------------	-------------------	---------------

## Fund Balance

Budget Stabilization Reserve	001-3353	\$ 15,500,000
------------------------------	----------	---------------

**Debt Service Fund**

## Appropriations

Transfer to General Fund	012-250-8710-9509	\$ 15,500,000
--------------------------	-------------------	---------------

## Fund Balance

Unappropriated	012-3325	\$ (15,500,000)
----------------	----------	-----------------

Pursuant to the provisions of Section 12 of the City Charter, the second reading of this ordinance by title is hereby dispensed with.

ATTEST:

City Clerk.



## CITY OF ROANOKE OFFICE OF THE CITY MANAGER

Noel C. Taylor Municipal Building  
215 Church Avenue, S.W., Room 364

Roanoke, Virginia 24011-1591

Telephone: (540) 853-2333

Fax: (540) 853-1138

CityWeb: [www.roanokegov.com](http://www.roanokegov.com)

May 10, 2005

Honorable C. Nelson Harris, Mayor  
Honorable Beverly T. Fitzpatrick, Jr., Vice Mayor  
Honorable M. Rupert Cutler, Council Member  
Honorable Alfred T. Dowe, Jr., Council Member  
Honorable Sherman P. Lea, Council Member  
Honorable Brenda L. McDaniel, Council Member  
Honorable Brian J. Wishneff, Council Member

Dear Mayor Harris and Members of City Council:

Subject: Use of Capital Projects Fund  
Interest Earnings and Proceeds  
from the Sale of Property

### Background:

Interest earned from the Capital Project Fund and occasional land sale proceeds have traditionally been spent for economic development or community development initiatives. Currently there is not a dedicated funding source for economic development or community development initiatives.

### Considerations:

It would be beneficial to have a specified funding source when economic or community development opportunities arise. Adopting a policy which reserves Capital Projects Fund interest earnings and proceeds from the sale of general government property for economic development and community development initiatives will result in a dedicated funding source.

Funding will be used for economic and community development initiatives that include but are not to be limited to:

1. Purchase of property for the purpose of economic development.
2. Economic development incentives.
3. Greenway Development.
4. Infrastructure improvements to support economic development and community development initiatives.

**Recommended Action:**

Adopt the policy designating Capital Projects Fund interest earnings and proceeds from the sale of general government property for economic development and community development initiatives.

Respectfully submitted,



Darlene L. Burcham  
City Manager

**Attachment**

DLB:acm

c: Mary F. Parker, City Clerk  
William M. Hackworth, City Attorney  
Jesse A. Hall, Director of Finance  
Sherman M. Stovall, Director of Management and Budget  
Brian Townsend, Acting Director of Economic Development

CM05-00058

**City of Roanoke, Virginia**  
**Economic and Community Development Reserve Policy**

One of the keys to sound financial management is the development of, and adherence to, financial management policies. The need is recognized by bond rating agencies and is a recommended best practice by the Government Finance Officers Association. Financial management policies create a framework within which financial decisions can be made. Policies serve as a statement of guidelines and goals that influence and guide the financial management decisions of the City of Roanoke.

Roanoke will create and maintain an Economic and Community Development Reserve which will provide a supplement to the economic and community development funding included in the City's Capital Improvement Program. The City of Roanoke has historically funded certain capital improvement projects on a cash basis, and it will continue to do so. The Economic and Community Development Reserve will further provide a source of funding which will create flexibility to cash fund unforeseen opportunities which may arise in the areas of economic and community development.

The following **Economic and Community Development Reserve Policy** is intended to demonstrate a commitment to financial planning for economic and community development projects which may provide future growth opportunities and expansion of the tax base in Roanoke. The Reserve will be maintained using the following guidelines:

- **Reserve Floor--** The Reserve will be maintained at or above a target level of \$1.0 million. The Reserve will be a reservation of the Capital Projects Fund fund balance.
- **Reserve Drawdown--**Use of the Reserve shall occur only by appropriation of City Council for economic or community development projects. Examples of qualifying uses include, but are not limited to, the purchase of property for economic development, economic development incentives, greenway development, and development of infrastructure to support other economic and/or community development projects. The Reserve may not be used for operating or recurring expenditures.
- **Reserve Growth and Replenishment--**The Reserve will be maintained at a level at or above its target by allocating interest earnings of the Capital Projects Fund and proceeds from the sale of surplus general government real property. In the event the Reserve declines below the target level of \$1.0 million, it will be restored to its minimum within two fiscal years. Reserve replenishment may be accomplished by allowing Reserve growth without appropriation of the reserve or by transferring additional funds to the Reserve.

Adopted by City Council: \_\_\_\_\_

P.T.  
IN THE COUNCIL OF THE CITY OF ROANOKE, VIRGINIA,

A RESOLUTION approving an Economic and Community Development Reserve Policy dedicating Capital Projects Fund interest earnings and proceeds from the sale of real property for economic and community development initiatives.

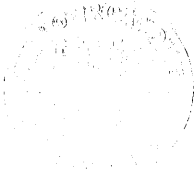
WHEREAS, currently there is not a dedicated funding source for economic community development initiatives, and the City Manager has recommended by letter dated May 10, 2005, that it would be beneficial to establish a dedicated funding source for these initiatives; and

WHEREAS, the Council believes that a dedicated funding source for economic and community development initiatives would be beneficial.

THEREFORE, BE IT RESOLVED by the Council of the City of Roanoke that the Economic and Community Development Reserve Policy recommended in the City Manager's letter to Council dated May 10, 2005, regarding dedication of Capital Projects Fund interest earnings and proceeds from the sale of real property to funding economic and community development initiatives is hereby approved.

ATTEST:

City Clerk.



**CITY OF ROANOKE**  
**OFFICE OF THE CITY MANAGER**

Noel C. Taylor Municipal Building  
 215 Church Avenue, S.W., Room 364

Roanoke, Virginia 24011-1591

Telephone: (540) 853-2333

Fax: (540) 853-1138

CityWeb: [www.roanokegov.com](http://www.roanokegov.com)

**May 10, 2005**

Honorable C. Nelson Harris, Mayor  
 Honorable Beverly T. Fitzpatrick, Jr., Vice Mayor  
 Honorable M. Rupert Cutler, Council Member  
 Honorable Alfred T. Dowe, Jr., Council Member  
 Honorable Sherman P. Lea, Council Member  
 Honorable Brenda L. McDaniel, Council Member  
 Honorable Brian J. Wishneff, Council Member

Dear Mayor Harris and Members of City Council:

Subject: Authority to Transfer Funds

**Background:**

Section 2-121 of City Code authorizes the City Manager to make transfers up to \$75,000 within or between departments and divisions as set forth by fund in the annual appropriation ordinance.

**Considerations:**

As a part of year-end processing, there is a need to transfer funds for items such as salary lapse and internal service fund billings in excess of the \$75,000 threshold. Such actions currently require that a Council Report be processed to authorize the transfer.

**Recommended Action(s):**

Amend Section 2-121 of City Code to allow the City Manager to make transfers within or between departments and divisions in excess of \$75,000 from April 1 through June 30 annually. The Director of Finance shall report such transfers to City Council as a part of the quarterly Summary of City Manager Transfers.

Respectfully submitted,

 A handwritten signature in cursive script, reading "Darlene L. Burcham".
 

Darlene L. Burcham  
 City Manager

**DLB:aem**

**c: Mary F. Parker, City Clerk  
William M. Hackworth, City Attorney  
Jesse A. Hall, Director of Finance  
Sherman M. Stovall, Director of Management and Budget**

**CM05-00060**



IN THE COUNCIL OF THE CITY OF ROANOKE, VIRGINIA

AN ORDINANCE amending and reordaining §2-121, Authority to transfer funds, of Article V, City Manager, of Chapter 2, Administration, of the Code of the City of Roanoke (1979), as amended, to provide for the authorization of the City Manager to transfer funds; and dispensing with the second reading by title paragraph of this ordinance.

BE IT ORDAINED by the Council of the City of Roanoke that:

1. Section 2-121, Authority to transfer funds, of Article V, City Manager, of Chapter 2, Administration, of the Code of the City of Roanoke (1979), as amended, is hereby amended and reordained to read and provide as follows:

§2-121. Authority to transfer funds.

The City Manager may make or cause to be made transfers up to \$75,000.00 within or between the several departments and divisions set forth by fund in the annual appropriation ordinance, *except during the period from April 1 through June 30 annually, the City Manager may make transfers in excess of 75,000 within or between the several departments and divisions set forth by fund in the annual appropriation ordinance.* The Director of Finance shall report all such transfers to City Council on a quarterly basis.

2. Pursuant to §12 of the Roanoke City Charter, the second reading by title paragraph of this ordinance is hereby dispensed with.

ATTEST:

City Clerk.